

Lilit Tunyan (SBN 329351)
ltunyan@tunyanlaw.com
Artur Tunyan (SBN 349174)
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N. Brand Blvd., Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

Attorneys for Plaintiff JAVIER HERNANDEZ,
as an individual and on behalf of all employees similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

JAVIER HERNANDEZ, as an individual and on
behalf of all employees similarly situated,

Plaintiff,

v.

PRECISE AEROSPACE
MANUFACTURING, INC., a California
Corporation; and DOES 1 through 50,
inclusive,
Defendant.

Case No.: 30-2024-01400056-CU-OE-CXC

[Assigned for all purposes to Hon. Randall J.
Sherman, Department CX105]

**CLASS AND PAGA REPRESENTATIVE
ACTION**

**DECLARATION OF LILIT TUNYAN IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA REPRESENTATIVE ACTION
SETTLEMENT**

Reservation N: 74544108
Date: August 8, 2025
Time: 10 a.m.
Courtroom: Dept. CX105
Judge: Hon. Randall J. Sherman

Action Filed: May 15, 2024
Trial: Not Set

1 **DECLARATION OF LILIT TUNYAN**

2 I, LILIT TUNYAN, declare as follows:

3 1. I am admitted, in good standing, to practice as an attorney in the State of California, the
4 United States District Courts for the Central, Eastern, Southern and Northern Districts of California. I am
5 the founding partner at the law firm of Tunyan Law, APC. I am a fully qualified, adult resident of the
6 State of California, and, if called as a witness herein, I would testify truthfully to the matters set forth
7 herein. All of the matters set forth herein are within my personal knowledge, except those matters that
8 are stated to be upon information and belief. As to such matters, I believe them to be true. I am one of
9 the attorneys of record for Plaintiff JAVIER HERNANDEZ ("Plaintiff").

10 2. This Declaration is submitted in support of Plaintiff's Motion for Preliminary Approval
11 of Class and PAGA Representative Action Settlement.

12 **BACKGROUND**

13 3. On May 15, 2024, Plaintiff filed a putative class action alleging the following labelled
14 causes of action: (1) failure to pay all wages; (2) failure to provide meal periods; (3) failure to provide
15 rest periods; (3) failure to maintain and provide accurate itemized wage statements; (5) failure to
16 indemnify necessary business expenses; (6) failure to timely pay all wages and final wages; (7) Unfair
17 Business Practices in violation of Bus. & Prof. Code § 17200 et seq. On July 22, 2024, Defendant filed
18 his First Amended Complaint adding the Labor Code Private Attorneys General Act of 2004 [Lab. Code
19 § 2699, et seq.] ("PAGA") cause of action ("Action"). In the complaint, Plaintiff sought to represent all
20 persons that worked for Defendant in California as an hourly-paid, non-exempt employee at any time
21 during the period beginning four years before the filing of the initial complaint.

22 4. Plaintiff satisfied the administrative exhaustion requirement that is a prerequisite to filing
23 a claim for Civil Penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code §
24 2699, et seq.] ("PAGA").

25 5. The Parties have conducted informal discovery and investigation of the facts and law.
26 Such discovery and investigation have included, inter alia, the exchange of data and discoverable
27 information in preparation for the mediation session. The Parties have analyzed payroll and other data
28 pertaining to Plaintiff and the Class during the relevant Class Period, including but not limited to the

1 numbers of former and current members of each purported subclass within the Class, average
2 workweeks, and average rate of hourly pay. In addition, Defendant also provided documents reflecting
3 their wage and hour policies and practices during the Class Period.

4 6. After reviewing documents regarding Defendant's wage and hour policies and practices
5 and other information obtained during the exchange of discovery, Class Counsel were able to evaluate
6 the probability of class certification, success on the merits, and the reasonably obtainable maximum
7 monetary exposure for all claims. Class Counsel reviewed these records and prepared a damage analysis
8 prior to mediation. Class Counsel also investigated the applicable law regarding the claims and defenses
9 asserted in the litigation.

10 7. On February 26, 2025, the Parties mediated before a mediator, Monique Ngo-Bonnici,
11 Esq., who is a highly experienced and well-regarded mediator for wage and hour class action litigation.
12 At the mediation, the Parties discussed at length the burdens and risks of continuing with the litigation as
13 well as the merits of the claims and defenses. The Parties have been able to reach a settlement at the
14 mediation. The Parties have reached an agreement regarding the substantive terms of a class-wide
15 settlement, pending the Parties' agreement on a long-form class settlement agreement. The Parties then
16 signed a long form settlement agreement ("Agreement").

17 8. Plaintiff and Class Counsel are aware of the burdens of proof necessary to establish
18 liability for the claims asserted in the Action, both generally and in response to Defendant's defenses
19 thereto. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a
20 Settlement that confers substantial relief upon the Class.

21 9. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement
22 set forth in this Agreement is a fair, adequate, and reasonable Settlement and is in the best interests of the
23 Class. Solely for the purpose of settling this case, the parties agree that the requirements for establishing
24 class action certification with respect to this class have been met and are met. If this Settlement is not
25 approved by the Court for any reason, Defendant reserves its right to contest class certification. This
26 Settlement, if approved by the Court, will result in the entry of the Judgment and the release of all
27 Released Claims for all Class Members, including all within the class definition who have not elected to
28 exclude themselves from the Settlement Class.

SUMMARY OF THE SETTLEMENT TERMS

10. Key provisions of the proposed settlement include the following:

- (a) Defendant agrees not to oppose certification of a Class for purposes of Settlement only (Settlement, ¶ 19);
- (b) **Settlement Amount:** Defendant will pay a maximum of **\$225,000.00**, referred to as the Gross Settlement Amount (or GSA herein), resulting in an estimated average gross payment per Class Member of approximately **\$2,616.28** (Settlement, ¶ 26(c));
- (c) **Class Size:** Approximately **86** individuals as of February 26, 2025. (Tunyan Decl., ¶ 16.)
- (d) **PAGA Group Size:** Approximately **50** individuals as of February 26, 2025 (Tunyan Decl., ¶ 17);
- (e) **Escalator Clause:** Defendant estimates that the number of Class Members was approximately 86 individuals as of February 26, 2025, and the number of Covered Workweeks worked in the Class Period for those Class Members was approximately 3,889 as of that date. If it is later determined that, the number of Covered Workweeks in the Class Period is more than 10% greater than the estimated number of workweeks as of February 26, 2025, i.e. exceeds 4,278 workweeks, at Defendant's sole election, Defendant can either: (1) have the Gross Settlement Amount increased proportionally by the Covered Workweeks actually worked in the Class Period in excess of 4,278 Covered Workweeks by a pro-rata dollar value equal to the number of Covered Workweeks in excess of 4,278 Covered Workweeks (For example, if there is a 1% increase over 10% then the Gross Settlement Amount increases by 1%); or (2) the Class Period shall end on the date the number of Covered Workweeks reaches 4,278. Should Defendant elect option (2) above and end the Class Period early, then Defendant shall notify Class Counsel of its election no later than seven (7) days after Defendant has

received sufficient information to determine that the actual number of Covered Workweeks exceeds 4,278. (the “Escalator Clause”). (Settlement, ¶ 26(d).)

- (f) **Kullar/Munoz Analysis:** Plaintiff addresses the claims analysis herein, at Part V.B.3, and in more detail the Declaration of Tunyan, at Paragraph 17;
- (g) **No Reversion:** The Settlement is a *non-reversionary* settlement (Settlement, ¶ 26(e));
- (h) **Certification:** Plaintiff addresses certification requisites herein, at Part V.A., and in the Declaration of Tunyan, at Paragraphs 35-41;
- (i) **No Claim Form:** No claim form is required (Settlement, ¶ 26(f));
- (j) **Class Release:** Class Members will release Released Class Claims as defined in the Settlement (those Class Members who do not opt out of the Settlement) (Settlement, ¶ 37);
- (k) **PAGA Release:** PAGA Employees are deemed to release the Released PAGA Claims defined in the Settlement, regardless of whether they opt out of the class portion of the Settlement (Settlement, ¶ 37);
- (l) **Release Effective Date:** The Release is not active until Defendant tenders all payments required under the Settlement to the Settlement Administrator (Settlement, ¶ 37);
- (m) **Net Settlement Amount Available to the Class:** After deducting Class Counsel’s attorneys’ fees and costs, service payment to Plaintiff, administration costs, and the payment to the LWDA, the remainder will be used to pay Settlement Class Payments to Class Members who do not opt out and PAGA Settlement Payments to PAGA Employees. For the Settlement Class Payments, each Class Member will receive a share based on the number of workweeks each Class Member worked for Defendant within the Class Period. The Net Settlement Amount which also includes PAGA Settlement Payments to PAGA Employees is estimated to be at least **\$101,950.00**, resulting in an average **net** payment per Class Member of at least **\$1,185.47**. (Settlement, ¶ 26(g));

- (n) **Tax Allocation:** The amounts distributed to Class Members will be characterized as 20% wages and 80% interest and penalties, and PAGA Settlement Payments will be allocated as 100% penalties. (Settlement, ¶ 26(k));
- (o) **Employer's Portion of Payroll Taxes Paid Separately:** Defendant's portion of payroll taxes (e.g., FICA, FUTA, etc.) owed on any settlement payments to Class Members that constitute wages will be paid separate and apart from the GSM (Settlement, ¶ 26(h));
- (p) **Settlement Administrator:** The notice portion of the Settlement and distribution of funds will be administered by a third-party Administrator, ILYM Group, Inc., and the Parties estimated that the costs of administration should not reasonably exceed \$7,000.00. ILYM Group, Inc.'s low bid for settlement administration services in the amount of **\$5,550.00** was selected as the lowest bid from a competitive bidding process. (Settlement, ¶ 26(o));
- (q) **Class Data for Administration:** The Settlement Administrator will receive the Class List within 15 calendar days of Preliminary Approval, use the NCOA database to update the Class List, and then use skip tracing on returned Notices (Settlement, ¶ 32(a));
- (r) **Notice:** The Notice will issue within 14 days of receipt of the Class List (Settlement, ¶ 32(b)). The Notice describes how to dispute workweeks, submit and objection, or request exclusion (Settlement, ¶ 26(r)).
- (s) **Notice Language:** Notice will issue in English and Spanish (Settlement, ¶ 26(s));
- (t) **Objections:** Objections can be submitted to the Settlement Administrator in writing via the Objection Form, or at the Final Approval Hearing. (Settlement, ¶ 26(w));
- (u) **Exclusion Requests:** Requests for exclusion can be submitted to the Settlement Administrator in writing on the Request for Exclusion Form (Settlement, ¶ 26(v));

- (v) **PAGA Allocation:** From the GSA, **\$20,000.00** will be allocated to settle claims brought pursuant to the California Private Attorneys General Act, Labor Code § 2699 et seq. (“PAGA”), and seventy-five percent (75%), or **\$15,000.00** will be paid to the California Labor & Workforce Development Agency. (Settlement, ¶ 10.)
- (w) **Notice to LWDA:** Notice was provided prior to the filing of this Motion. Evidence is attached to Tunyan Declaration.
- (x) **Service Payment to Plaintiff:** Defendant will not oppose the application for Class Representative Service Payment of **\$7,500.00** to be paid from the GSA (Settlement, ¶ 26(n));
- (y) **Fees and Costs:** Defendant will not oppose Class Counsel’s application for fees not to exceed 33 1/3% of the GSA (**\$75,000.00**), and actual costs, in an amount not to exceed **\$20,000**, to be paid out of the GSA (Settlement, ¶ 26(m)).
- (z) **Check Void Period:** Settlement checks will be valid for 180 days (Settlement, ¶ 34);
- (aa) **Uncashed Checks:** Any settlement checks that are mailed to the Class Members and remain uncashed after 180 days of the date of issuance will be cancelled, and the moneys will be directed to the California State Controller’s Office for Unclaimed Property in the name of each Class Member who failed to cash their Settlement Payment (Settlement, ¶ 35);
- (bb) **Judgment Notice:** Judgment will be posted on the Settlement Administrator’s website after entry for 180 days (Settlement, ¶ 30);
- (cc) **Confidentiality Provisions:** Plaintiff and Class Counsel agree to keep settlement terms confidential (Settlement ¶ 58).

11. A true and correct copy of the JOINT STIPULATION OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT is attached hereto as Exhibit “1.”

THE SETTLEMENT IS FAIR, JUST AND REASONABLE

12. Plaintiff and counsel have diligently investigated the claims of the Class Members.

1 Plaintiff and Class Counsel concluded, after taking into account the disputed factual and legal issues
2 involved in this Action, the substantial risks attending further prosecution, including risks related to the
3 outcome of certification and possible summary judgment efforts, and the substantial benefits to be
4 received pursuant to the compromise and settlement of the Action as set forth in the Settlement, that
5 settlement on the terms agreed to are in the best interest of Plaintiff and the putative Class and are fair
6 and reasonable. Plaintiff's counsel brought to bear a great deal of experience with class actions in
7 negotiating the settlement of this case.

8 13. One fundamental purpose of the class action device is to promote efficiency. Resolution
9 at this time will forestall the need for additional expensive and time-consuming litigation that could very
10 well result in an outcome less satisfactory than that proposed under this settlement. But, before any other
11 consideration, we have agreed to this settlement because it is objectively reasonable. The potential for
12 resolution benefits the class members, since they do not have to wait additional years for a similar
13 recovery. The efficiency of this litigation benefits the Court, the parties and their counsel. A class-wide
14 resolution is the most realistic method for addressing the claims raised in this matter.

15 14. We have engaged in the necessary investigation in this case that made it possible for us to
16 exercise informed judgment in those aspects of the settlement process in which we were involved. The
17 exchange of time and wage data, wage and hour policy documents, and data about the composition of the
18 Class, were sufficient to permit us counsel to adequately evaluate the settlement. We had more than
19 enough information upon which to evaluate a fair and reasonable settlement amount.

20 15. We believe that the case was viable through to a trial. However, while Plaintiff assert a
21 belief that this is a viable case for trial, we realize that there are always significant risks associated with
22 certification and trials, and those risks cannot be eliminated in this case. Continued litigation of this
23 lawsuit presented Plaintiff and Defendant with substantial legal risks and costs that were (and continue to
24 be) difficult to assess. The risks in this matter include:

- 25 • the risk that Plaintiff would be unable to establish liability for allegedly unpaid straight time
26 or overtime wages, *see Duran v. US Bank Nat'l Ass'n*, 59 Cal. 4th 1, 39 & fn. 33 (2014)
27 ("Duran"), *citing Dilts v. Penske Logistics, LLC* 2014 WL 205039 (S.D. Cal. 2014);
- 28 • the risk that Defendant's meal and rest period policies might not ultimately support class

certification or a class-wide liability finding, see *Duran*, 59 Cal. 4th at 14, n. 28 (citing Court of Appeal decisions favorable on class certification issue without expressing opinion as to ultimate viability of proposition);

- the risk that uncertainties pertaining to the ultimate legality of Defendant’s policies and practices could preclude class-wide awards of statutory penalties under Labor Code §§ 203 and 226(e);
- the risk that individual differences between Class Members could be construed as pertaining to liability and not solely to damages, see *Duran*, 59 Cal. 4th at 19;
- the risk that any civil penalties award under the PAGA could be reduced by the Court in its discretion, see Labor Code § 2699(e)(1);
- the risk that class treatment could be deemed improper as to one or more claims, except for settlement purposes;
- the risk that lengthy appellate litigation could ensue.

These risks are non-exhaustive. While we remain confident that we possess credible strategies for responding to the legal and factual risks facing them, those risks cannot be disregarded. We carefully considered the risks created by all of these uncontrollable factors when evaluating the reasonableness of this proposed settlement. This Settlement provides a benefit to the Class Members that is very reasonable in light of these particular risks.

16. The Settlement is the product of arm’s-length negotiations between the Parties occurring throughout the litigation. In light of the uncertainties of protracted litigation and the state of the law regarding the legal positions of the Parties, the settlement amount reflects the best feasible recovery for the Class Members. The settlement amount is, of course, a compromise figure. By necessity it took into account risks related to liability, damages, and the defenses asserted by Defendant. Moreover, each Class Member will be given the opportunity to opt-out of the Settlement, allowing those who feel they have claims that are greater than the benefits they can receive under this Settlement to pursue their own claims. For the approximately **86** members of the Class, the average **gross** recovery is at least **\$2,616.28** per class member, and the estimated average **net** recovery for each Class Member is approximately **\$1,185.47**. Given that Defendant could challenge certification and liability, this is a significant sum to

1 have achieved in settlement. Moreover, a Class Member who worked a greater number of weeks for
2 Defendant will receive a larger share of the Settlement than a Class Member who worked for a shorter
3 amount of time during the class period.

4 17. The Gross Settlement Amount of **\$225,000.00** is about 68% of the **\$332,900.97** estimate
5 of *risk-adjusted* recovery (excluding interest) at this stage in the litigation. This assessment is based on a
6 carefully constructed model of the current fair value of the case, using estimated risks, average wage
7 rates, numbers of employees, and the amount of time covered by the class period. While Plaintiff would
8 certainly have preferred to recover more (and Defendant would have preferred to pay less), this outcome
9 is in line with a carefully constructed estimate of the current fair value of the case. On that basis, it
10 would be unwise to pass up this settlement opportunity. My maximum calculated reasonable exposure,
11 after removing implausible or extreme estimated recoveries, is **\$1,218,092.56**, *including* PAGA
12 penalties.

- 13 • A reasonably estimated exposure for unpaid wages for unlawful rounding was calculated,
14 with the assistance of an expert, to be approximately **\$48,326.11**. However, with the risk
15 factor discounts for certification and liability proof, the value of that claim is estimated by
16 Plaintiff's counsel to be approximately **\$34,794.80**, assuming certification probability of
17 80% and merits success at 90%.
- 18 • A reasonably estimated exposure for unpaid off-the-clock work was calculated, with the
19 assistance of an expert, to be approximately **\$119,820.09** (3,889 workweeks x 1 hour of
20 unpaid wage per workweek, which is based on the overtime rate of \$30.81 per hour)).
21 However, with the risk factor discounts for certification and liability proof, the value of that
22 claim is estimated by Plaintiff's counsel to be approximately **\$14,378.41** assuming
23 certification probability of 40% and merits success at 30%.
- 24 • A reasonably estimated exposure for rest break violations over the class period was
25 calculated at **\$159,760.12** (3,889 workweeks x 2rest period premiums per workweek x
26 \$20.54), but with chances of certification and proof of liability (50% and 40% respectively)
27 for a risk-adjusted exposure of **\$31,952.02**.
- 28 • A reasonably estimated exposure for meal break violations over the class period was

calculated at **\$319,520.24** (3,889 workweeks x 4 meal period premium per workweek x \$20.54) with chances of certification and liability risks (70% and 80% respectively) resulting in a risk-adjusted exposure of **\$178,931.33**.

- Risk-adjusted penalty recoveries for wage statement and Labor Code § 203 penalties were estimated to be approximately **\$8,600.00** and **\$29,577.60**, respectively, on maximum exposures of **\$86,400.00** (50 initial violations x \$50 statutory penalty) + [839 subsequent violations x \$100 statutory penalty] and **\$295,776.00** (60 employees terminated during the three-year statute of limitation x (30 days x hourly rate of \$20.54 x 8 hours), or approximately \$4,929.6 per individual, respectively), (50% and 20% respectively).
- A reasonably estimated exposure for unreimbursed expenses was calculated at **\$38,890.00** (3,889 workweeks x \$10 unreimbursed business expenses per workweek), with chances of certification and liability risks (40% and 30% respectively) resulting in a risk-adjusted exposure of **\$4,666.80**.
- Performing risk-adjusted valuations for all claims yields a total value in the range of **\$302,900.97**, excluding PAGA. (Id.)
- PAGA penalties were calculated as having a maximum realistic exposure of **\$150,000.00** (50 PAGA Employees estimated to have worked during one-year statutory period x \$3,000.00 civil penalties), but a risk adjusted value of **\$30,000.00**, after factoring in risks of reduction in penalties pursuant to Court discretion and the high risk of the inability to prove violations for all aggrieved employees.

As required under *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116 (2008) and *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal. App. 4th 399 (2010), the maximum plausible and realistic recoveries versus the current risk-adjusted value of the claims are discussed in additional detail below:

(a) Key Class Data Elements at Time of Mediation:

- 1) Class Members: approximately 86 as of February 26, 2025
- 2) Work Weeks: approximately 3,889 as of February 26, 2025
- 3) PAGA Employees: approximately 50 as of February 26, 2025

4) Gross Settlement Amount: \$225,000.00

(b) KULLAR/MUNOZ ANALYSIS: Unpaid Wages Due to Rounding

1) Plaintiffs' claims for unpaid wages due to time rounding is based on the argument that Class Members were not paid for the actual time worked for Defendant. The time was rounded and as a result Class Members were harmed by that rounding.

2) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$48,326.11
Estimated certification probability	80%
Estimated chance of prevailing on merits	90%
Max recovery × certification risk × chance of success on merits = Present Settlement Value	\$34,794.80

(c) KULLAR/MUNOZ ANALYSIS: Unpaid Wages Due to Off-the-Clock Work

1) Plaintiff's claims for unpaid wages due to off-the-clock work is based on Defendant's requirement for Class Members to arrive early to don and doff off-the-clock, stay in line to clock in to work but not allowing to clock in earlier than six minutes prior to the beginning of the scheduled shifts and to clock out at the end of their shifts and continue working by not allowing to clock out later than six minutes in order not to create overtime.

2) Defendant denies these allegations and contends they compensated for all time.

3) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$119,820.09
Estimated certification probability	40%
Estimated chance of prevailing on merits	30%

Max recovery × certification risk × chance or success on merits = Present Settlement Value	\$14,378.41
---	--------------------

(d) KULLAR/MUNOZ ANALYSIS: Meal Periods

- 1) Plaintiff’s claim for meal break violations is based on Defendant’s deficient California non-compliant meal period policy which does not state Plaintiff’s and Class Members’ entitlement to second meal periods and the timing requirements for meal periods, and Class Members missed, late and short meal periods based on the produced by Defendant meal period records. Employees are entitled to meal periods of at least 30 minutes before exceeding five hours of work and to second meal periods of not less than 30 minutes before exceeding 10 hours of work. For each meal period missed or taken late an employer must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of compensation is referred to as “premium pay.”
- 2) Defendant maintains that the obligation is simply to “provide” meal periods, not to “ensure” that they are taken. *Brinker v. Superior Court*, 53 Cal. App. 4th 1004, 1034-41 (2012) (rejecting “ensure” standard). Furthermore, Defendant contends that any failure to take meal periods, or to take late meal periods, was a result of employee choice, not of any policy or practice of Defendant. Finally, Defendant asserts that Plaintiff’s meal period claims would not be amenable to class treatment, since individual inquires would need to be made with respect to each specific shift that each employee missed a meal or rest period, to determine why that specific employee missed that specific meal or rest period on that specific shift.

3) Risk-adjusted Exposure Analysis:

Calculated maximum recovery:	\$319,520.24
------------------------------	---------------------

Estimated certification probability	70%
Estimated chance of prevailing on merits	80%
Max recovery × certification risk × chance of success on merits = Present Settlement Value	\$178,931.33

(e) **KULLAR/MUNOZ ANALYSIS: Rest Breaks**

- 1) Plaintiff’s claim for rest break violations is based on Defendant’s deficient rest period policy devoid of the language required by California labor code and applicable wage order that requires employers to provide ten-minute rest breaks for every four hours, or major fraction, worked. Employees are entitled to a rest period of at least 10 minutes every four hours worked, or major fraction thereof. For each rest period missed or taken late an employer must pay the employee an additional one hour of compensation. Labor Code § 226.7. This additional hour of compensation is referred to as “premium pay.”
- 2) Defendant maintains that the obligation is simply to “authorize and permit” rest periods, not to “ensure” that they are taken. *Brinker v. Superior Court*, 53 Cal. App. 4th 1004, 1034-41 (2012) (rejecting “ensure” standard). Furthermore, Defendant contends that any failure to take rest breaks was a result of employee choice, not of any policy or practice of Defendant. Finally, Defendant asserts that Plaintiff’s rest breaks claims would not be amenable to class treatment, since individual inquires would need to be made with respect to each specific shift that each employee missed a rest period, to determine why that specific employee missed that specific rest break on that specific shift.

3) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$159,760.12
------------------------------	---------------------

Estimated certification probability	50%
Estimated chance of prevailing on merits	40%
Max recovery × certification risk × chance of success on merits = Present Settlement Value	\$31,952.02

(f) **KULLAR/MUNOZ ANALYSIS: Late Pay Penalties Under Labor Code § 203**

1) Labor Code § 203 provides that if an employer fails to pay an employee all wages due at termination or within 72 hours of resignation, then that employee's wages shall continue as a penalty until paid for a period of up to thirty (30) days from the date they were due. Because class members stopped working for Defendant but again were not paid their full compensation for the reasons discussed above, class members did not receive all wages due upon termination of employment.

2) Defendant argues that a good-faith belief in the legality of its employment practices precludes a finding that any withholding of wages was "willful." See Cal. Code Regs. § 13520 [good-faith dispute exists to a claim for waiting time penalties "when an employer presents a defense, based in law or fact which, if successful, would preclude any recovery on the part of the employee. The fact that a defense is ultimately unsuccessful will not preclude a finding that a good faith dispute did exist."].) Defendant further maintain that because of viable defenses in both law and fact that waiting-time penalties could not be awarded and, in any case, such penalties were subject to a three-year limitations period under Labor Code § 203(b).

3) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$295,776.00
Estimated certification probability	50%
Estimated chance of prevailing on merits	20%

Max recovery × certification risk × chance or success on merits = Present Settlement Value	\$29,577.60
---	--------------------

(g) KULLAR/MUNOZ ANALYSIS: Wage Statement Violations

- 1) Plaintiff also alleged a cause of action under Labor Code § 226(a) for not including all wages, or meal and rest break premiums in the wage statements in Class Members wage statements. That section states that an employer must provide an accurate itemized wage statement twice a month or each time wages are paid, whichever is the more frequent. Failure to do so entitles employees to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). *See* Labor Code § 226(e).
- 2) Defendant contends that Labor Code § 226(e) penalties are not automatic. Rather, the employee must show (1) that he or she suffered injury from the employer’s failure to provide compliant wage statements and (2) Defendant’ noncompliance was “knowing and intentional.” Defendant contends that class members suffered no injury from any failure to issue compliant wage statements and, furthermore, that any noncompliance was not knowing and intentional. Further, because the damages for this cause of action are penalties, the statute of limitations only runs from one year prior to the filing of the original complaint. *See* Code Civ. Proc. § 340. Moreover, Defendant maintains that Plaintiff’s derivative claim for wage statement penalties would fail for the same reasons that Plaintiff’s underlying claims would fail. The parties discussed these issues, and in light of these and other considerations Class Counsel factored in a reduction of liability and damages for this cause of action.

3) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$86,400.00
Estimated certification probability	50%
Estimated chance of prevailing on merits	20%
Max recovery × certification risk × chance or success on merits = Present Settlement Value	\$8,600.00

(h) **KULLAR/MUNOZ ANALYSIS: Unreimbursed Expenses Under Labor Code § 2802**

1) Plaintiff also alleged a cause of action under Labor Code § 2802 for failure to reimburse all necessary expenses. Under Labor Code § 2802, “an employer shall indemnify his or her employee for all necessary expenditures... incurred by the employee in direct consequence of the discharge of his or her duties.” Lab. Code § 2802. Plaintiff’s claim for unreimbursed expenses is based upon claims that class members were required to use their personal cellular telephones to communicate with co-workers and supervisors regarding the work schedules, and to purchase tools and materials necessary to perform their work including but not limited to flashlights, markers, scissors, band aids, hats without reimbursement.

2) Defendant contends that most employees did not incur significant expenses, they provided tools and that usage of cell phones was voluntary.

3) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$38,890.00
Estimated certification probability	50%
Estimated chance of prevailing on merits	30%
Max recovery × certification risk × chance or success	\$4,666.80

on merits = Present Settlement Value

(i) QUASI- KULLAR/MUNOZ ANALYSIS: PAGA

- 1) The Labor Code Private Attorneys General Act, Labor Code § 2699 *et seq.*, allows Plaintiff to obtain civil penalties on behalf of herself and other class members for Defendant’ violation of any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are provided in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code § 2699(f) establishes civil penalties of one (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code § 2699(i), seventy-five (75) percent of the penalties recovered must be allocated to the Labor and Workforce Development Agency (LWDA), with the remaining twenty-five (25) percent allocated to the affected employees. The limitations period is one year prior to the filing of the complaint.
- 2) The provisions of the Labor Code potentially triggering PAGA penalties in this case include but are not limited to Labor Code §§ 203, 226(a), 226.7, and 510. Defendant asserted that if PAGA penalties were mandatory, an employer’s PAGA liability would be huge because of the possibility of collecting multiple civil penalties for a single violation, and thus such penalties would almost always dwarf the damages available under the causes of action proper. However, PAGA penalties are not mandatory but permissive. Labor Code § 2699(e)(2) states that “a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” *See also Thurman v. Bayshore Transit Management, Inc.*,

203 Cal. App. 4th 1112, 1135 (2012) [affirming reduction of PAGA penalties].) Defendant here maintains that they have a strong argument that it would be unjust to award maximum PAGA penalties.

3) Furthermore, PAGA penalties are also completely derivative of each and every other claim. Finally, under *Amaral v. Cintas Corp.*, 163 Cal. App. 4th 1157(2008), it can be argued that penalties under PAGA could, at best, be awarded only at the rates obtainable for initial violations under the applicable statutes, because Defendant had never been notified of the alleged violations. *Id.*, at 1208, 1209.

4) **Risk-adjusted Exposure Analysis:**

Calculated maximum recovery:	\$150,000.00
Discount reduction factor for risk of Court reduction and uncertainty of proof for all aggrieved employees	20%
Max recovery × risk reduction = Present Settlement Value	\$30,000.00

With the assistance of Class Counsel’s retained damages expert, Class Counsel estimated Defendant’ maximum total exposure on the PAGA claim at approximately **\$150,000.00**. This number presupposes underlying claims are proven at a plausible rate and that the Court awards the full base penalties for each. Class Counsel then applied discounts in light of the countervailing arguments with regard to the other causes of action, and the Court’s power to award “a lesser amount than the maximum civil liability.” Accordingly, due to the speculative nature of a valuation for this claim, a discount of **80%** was applied to account for the difficulty of prevailing on this claim.

(j) **Kullar Summary:** Indulging the most optimistic estimates and improbably favorable outcomes, the maximum reasonable recovery is estimated to be

approximately **\$1,218,092.56**, including PAGA. The settlement amount is about **18%** of that amount. The calculated current settlement value is **\$332,900.97** (calculated by adding the risk-adjusted amounts in the charts above together), and the settlement is **68%** of the current risk-adjusted settlement value. The bottom line is that the settlement is about 18% of the maximum plausible recovery for the 86 Class Members, and it is a reasonable settlement, given that the full amount is very unlikely to be recovered.

18. This result here is fully supportable as reasonable. First, it is important to recognize the wilfulness finding required for Labor Code §§ 203 and 226 is challenging to establish. Second, rest break and meal period claims have been challenging to certify for many years, even after *Brinker*. Many risks are eliminated through settlement. And, with respect to those risks, certification rates in California are **lower** than conventional wisdom holds. See, e.g., H. Scott Leviant, *Second Interim Report on class actions in California sheds new light on certification* (February 19, 2010), www.thecomplexlitigator.com, available at <http://www.thecomplexlitigator.com/post-data/2010/2/19/second-interim-report-on-class-actions-in-california-sheds-n.html>; see also, *Findings of the Study of California Class Action Litigation, 2000-2006*, available at <http://www.courtinfo.ca.gov/reference/documents/class-action-lit-study.pdf> (finding, at page 5, and in Table 9, at page 15, that only 21.4% of all class actions were certified either as part of a settlement **or** as part of a contested certification motion). Here, the estimated certification probabilities are **above** the average rate at which cases were certified in California over the study years, based upon data available through the California Courts websites. In sum, well *under* 20% of all cases filed as proposed class actions are ultimately certified by way of a *contested* motion. Since the recovery is roughly 18% of the maximum theoretical recovery (estimated to be approximately \$1,218,092.56, *including* PAGA), it meets the expected outcome under that metric. This Settlement achieves the goals of the litigation.

ESTIMATED SETTLEMENT PAYMENTS TO CLASS MEMBERS

19. After deducting Class Counsel's attorneys' fees and costs, Service Payment to Plaintiff, administration costs, and the payment to the LWDA, the remainder will be used to pay Settlement Class Payments to Class Members who do not opt out and PAGA Settlement Payments to PAGA Employees.

1 For the Settlement Class Payments, each Class Member will receive a share based on the number of
2 workweeks each Class Member worked for Defendant within the Class Period. For PAGA individual
3 settlement payment PAGA Employees will receive a share based on the number of pay periods each
4 PAGA Employee worked for Defendant during the PAGA Period. The Net Settlement Amount is
5 estimated to be at least **\$101,9500.00 including** \$5,000.00 as the PAGA Employees' share of PAGA
6 allocation, resulting in an average net payment per Class Member of at least **\$1,185.47** and in an
7 estimated average gross payment per Class Member of approximately **\$2,616.28**. The estimated number
8 of workweeks as of February 26, 2025 is 3,889. The estimated lowest number of workweeks worked by
9 Class Members and the highest number of workweeks worked by Class Members as well as the estimate
10 of the lowest individual class settlement payment and the estimate of the highest individual class
11 settlement payment will be provided to the Court after the Class Period end date but prior to the
12 preliminary approval motion hearing date. The amount to be designated as PAGA Penalties is
13 **\$20,000.00**, which will be distributed as 75% (\$15,000.00) to the LWDA and 25% (\$5,000.00) to PAGA
14 Employees. PAGA Employees group consists of 50 non-exempt employees who are or were employed
15 by Defendant within the State of California as of February 26, 2025. It is estimated that there are
16 approximately 889 pay periods during the PAGA period. The total PAGA portion of the Settlement
17 Amount for PAGA Employees is \$5,000.00. The estimated lowest number of pay periods worked by
18 PAGA Employees and the highest number of pay periods worked by PAGA Employees as well as the
19 estimate of the lowest individual PAGA settlement payment and the estimate of the highest individual
20 PAGA settlement payment will be provided to the Court after the PAGA Period end date but prior to the
21 preliminary approval motion hearing date. The estimate of the individual class and PAGA settlement
22 share Plaintiff Javier Hernandez will receive in addition to Service Payment for representing class and
23 PAGA employees in this action will be provided to the Court after the Class Period end date but prior to
24 the preliminary approval motion hearing date.

25 OTHER PENDING ACTIONS

26 20. I made reasonable inquiry of other members at Tunyan Law, APC, and I am not aware of
27 any class or other collective actions which assert claims similar to those asserted in the above-captioned
28 matter, on behalf of a class or group of individuals some or all of whom would be members of the class

1 defined in this action during the same class period. To the best of my knowledge, no Class Member has
2 refrained from bringing an action with claims similar to those raised in the Action, whether in reliance on
3 the Action or otherwise, and who thus might be prejudiced by entry of judgment in this Action.

4 THE EXPERIENCE OF CLASS COUNSEL

5 21. I am a founding partner of Tunyan Law, APC and has been engaged in the practice of
6 employment and labor law for five years and focused exclusively on Plaintiff's employment law and
7 wage-and-hour class actions and more than twenty-five years in practice of law in general. I have
8 handled hundreds of wage-related class actions.

9 22. Prior to establishing my own practice, I was an associate attorney at Moon & Yang, APC and
10 Mahoney Law Group, APC. Since I was admitted to the California Bar, my practice has focused mainly
11 on labor and employment class action lawsuits involving California and federal labor laws. Along with
12 those firm's other attorneys I have successfully settled more than 50 class action and PAGA matters
13 during that time span and was routinely appointed lead or co-lead class counsel in courts in California
14 including by way of motion for class certification. I have additionally successfully settled about 25 class
15 and PAGA matters during the last two years prior to filing this motion.

16 23. I received my Juris Doctorate from the State Yerevan University and my LL.M. from
17 University of Minnesota Law School. Prior to moving to California and starting to practice law in
18 California I practiced law in Armenia for about twenty years as a licensed attorney. I have been general
19 counsel and head of legal department for big telecommunication and financial corporations in Armenia
20 for the last 12 years prior to moving to California. I managed corporate legal department and corporate
21 legal and regulatory affairs and handled complex litigation matters as well as complex transactions for
22 many years.

23 24. I am a current member of the California Employment Lawyers Association (CELA). I
24 have been an active member of the State Bar of California in good standing.

25 25. I am experienced in prosecuting employment matters, particularly class actions, and I focused
26 a substantial percentage of my practice on wage, hour, and working conditions violations. In addition to
27 the present case, I represented Plaintiff and the class members and have extensively worked on many
28 wage-and-hour class cases and have been appointed as class or PAGA counsel myself or along with

1 other counsel and co-counsel for wage-and-hour class action lawsuits in various counties throughout
2 California such as: *Guzman v. Core Environmental Solutions*, Case N 24STCV03593, Los Angeles
3 Superior Court; *Segovia v. Shelter Island, Inc.*, Case N 37-2024-00005168-CU-OE-CTL, San Diego
4 Superior Court; *Rodriguez v. TFC Manufacturing, Inc.*, Los Angeles Superior Court, Case N
5 24STCV02351; *Garcia v. C&R Restaurant Group, L.P.*, Los Angeles Superior Court, Case N
6 23STCV19037; *Oregel v. Diablo Range Framing, Inc.*, Contra Costa County Superior Court, Case N
7 C23-00697; *Rodriguez, et al. v. Roy Miller Painting, Inc.*, Orange County Superior Court, Case N 30-
8 2023-01314830-CU-OE-CXC; *Athey v. Walker Evans Enterprises*, Riverside County Superior Court,
9 Case N CVRI2301534; *Camposeco v. Smarte Carte, Inc.*, Los Angeles Superior Court, Case N
10 23STCV07897; *Bazan v. Casa Martin, LLC, et al.*, Los Angeles Superior Court, Case N 23STCV04670;
11 *Powers v. Mario's Place Inc.*, Riverside County Superior Court, Case N CVRI2301652; *Viveros v. D*
12 *and T Restaurants, Inc., et al.*, Los Angeles Superior Court, Case N 23STCV10019; *Empy v. 24*
13 *Windward Ave LLC*, Los Angeles County Superior Court, Case N 23STCV18608; *De Martinez v.*
14 *Facility Services Partners, Inc.*, Riverside County Superior Court, Case N CVRI2304625; *Hernandez v.*
15 *Caliber Aerospace, LLC, et al.*, Los Angeles Superior Court, Case N 23STCV20323; *Mejia v. KF*
16 *Casitas, LLC*, Los Angeles Superior Court, Case N 23STCV06090; *White v. SGB Ventures, LLC*, Tulare
17 County Superior Court, Case N VCU296946; *Galvan v. Western Sky Dairy, LLC*, Kern County
18 Superior Court, Case N BCV-23-100992; *Rocke v. Pink Chicku LLC*, Santa Clara County Superior
19 Court, Case N 23CV41357; *Gonzalez v. RV Retailer San Diego, LLC, et al.*, Riverside County Superior
20 Court, Case N CVRI2301403; *Evans, et al. v. Downtown Women's Center*, Los Angeles County
21 Superior Court, Case N 22STCV06578 (class certification motion granted in part); *Sanchez v.*
22 *Anodizing Industries, Inc.*, Los Angeles County Superior Court, Case N 21STCV30722; *Godoy v.*
23 *Intertrade Industries, LTD*, Orange County Superior Court, Case No. 30-2020-01151921-CU-OE-CXC;
24 *Fuentes v. Actron Manufacturing Inc.*, Los Angeles Superior Court, Case N 20STCV31099; *Gonzalez v.*
25 *Community Health Systems, Inc.*, San Bernardino County Superior Court, Case N CIVDS2015678;
26 *Rodriguez v. Progress Lighting, Inc. et al.*, San Bernardino County Superior Court, Case N
27 CIVDS2023894; *Castillo v. Gibson Overseas, Inc.*, San Bernardino Superior Court, Case N
28 CIVDS2022537; *Mumphrey v. People's Care Northern California, Inc. et al.*, San Joaquin County

1 Superior Court, Case N STK-CV-UOE-2019-0016397; *Ochoa v. Orlando Spring Corp*, Los Angeles
2 Superior Court, Case N 20STCV343129; *Findley v. USC, et al.*, Los Angeles Superior Court, Case
3 N 20STCV47290; *Maldonado v. Techmer PM, LLC*, Los Angeles Superior Court, Case N
4 20STCV21918; *Huerta v. IRS*, Los Angeles Superior Court, Case N 20STCV09163; *Mata v.*
5 *Marukai Corporation*; Los Angeles Superior Court, Case N 20STCV00959; *Tapia v. Home &Body*;
6 Orange County Superior Court, Case N 30-2020-01155185-CU-OE-CXC; *Ruvalcaba v. Quinn*
7 *Group, Inc.*, Los Angeles Superior Court, Case N 20STCV41323; *Bravo v. FIDM*, Los Angeles
8 Superior Court, Case N 19STCV25338; *Lomeli v. Plaskolite et al.*, Los Angeles Superior Court,
9 Case N 21STCV14611; *Alcantar v. Classic Salads LLC*, Santa Cruz County Superior Court, Case N
10 21CV002309; *Casas v. Freedom Solar Services, et al.*, Los Angeles Superior Court, Case N
11 21STCV20233; *Serrano v. Barstow Community Hospital*, San Bernardino Superior Court, Case N
12 CIVDS2006967; *Lopez v. Fairway Staffing Services, et al.*, Los Angeles Superior Court, Case N
13 21STCV26640; *Linden v. Marugame Udon USA, LLC*, Los Angeles Superior Court, Case No.
14 20STCV00728; *Salter v. U.S. Reports, et al.*, Los Angeles Superior Court, Case N 19STCV30384;
15 *Perez v. Torn & Glasser, Inc.*, Los Angeles Superior Court, Case N 21STCV43614; *Gomez v. Arya*
16 *Ice Cream Distributing Co., Inc*, Los Angeles Superior Court, Case N 21STCV31170; *Herrera v.*
17 *Coastal Construction & Lumber*, Santa Cruz County Superior Court, Case N 22CV394683; *Garcia*
18 *v. San Jose Water Company*, Santa Clara County Superior Court, Case No. 22CV396328; *Ramirez v.*
19 *Partners Personnel Management Services LLC*, Los Angeles Superior Court, Case N
20 21STCV31253; *Ramirez v. Merrill Gardens LLC*, Eastern District Court of California, Case N1:22-
21 cv-00542-DAD-SAB; *Garcia v. Tri-Valley Plastering, Inc.*, Fresno County Superior Court, Case N
22 22CECG00591; *Garcia v. South Valley Companies, Inc.*, Kern County Superior Court, Case N
23 BCV-22-100465; *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego Superior Court, Case
24 N37-2019-00070151-CU-OE-CTL.

25 26. Artur Tunyan is another partner and attorney at Tunyan Law, APC. He received his Juris
26 Doctorate from the State Yerevan University and his LL.M. from the American University of Armenia
27 and University of Illinois Chicago, School of Law. Prior to moving to California and starting to practice
28 law in California he practiced law in Armenia for about twenty-five years. He oversaw international

1 donor-funded projects for the judiciary and managed public-private partnership initiatives in sectors such
2 as energy, banking, finance, and aviation. He managed complex transactions and litigation matters for
3 many years.

4 27. My current contingent billing rate is consistent with my practice area, legal market and
5 accepted hourly rates considering also that I practiced law in another country for additional 20 years
6 which brings a total of almost 26 years of experience practicing law. The 2024-2025 Adjusted Laffey
7 Matrix states that an attorney with 4 to 7 years experience can reasonably charge \$581 per hour. See
8 <http://www.laffeymatrix.com/see.html>.5

9 REASONABLENESS OF THE REQUESTED FEE AWARD

10 28. When this case was taken on a contingent fee basis, with the firm agreeing to assume
11 responsibility for litigation costs, the ultimate result was far from certain. In the course of this litigation,
12 Tunyan Law, APC, paid filing fees, Westlaw fees, copy charges and mailing, telephone and express mail
13 charges. Mediation and expert fees. There was never a guarantee that Tunyan Law, APC, would recoup
14 those expenditures. The firm took on this case, which necessarily required the firm to forego other
15 opportunities, given finite resources to devote to cases.

16 29. Because of the uncertainty of the outcome in this and other wage and hour litigation
17 undertaken by Tunyan Law, APC, we took this case with the expectation that a risk enhancement, either
18 in the form of a lodestar multiplier or a percentage of the fund award equivalent thereto, would be
19 available if we prevailed. This expectation stems from the fact that many cases we undertake as putative
20 class actions do not resolve successfully.

21 30. Class Counsel's experience in employment class actions was integral in evaluating the
22 strengths and weaknesses of the case against Defendant and the reasonableness of the settlement.
23 Practice in the narrow fields of wage and hour litigation requires skill and knowledge concerning the
24 rapidly evolving substantive law (state and federal), as well as the procedural law of class action
25 litigation.

26 31. In the past four years, I have settled many wage-and-hour class actions. Just as the
27 Court in *Chavez v. Netflix, Inc.*, 162 Cal. App. 4th 43, 66, n.11 (2008) observed, it has been my
28 experience, that attorney fee awards of one-third of a common settlement fund are the rule, rather than

1 the exception. Here, Class Counsel agrees that they will seek no more than one third of the settlement
2 amount in fees. This is consistent with common practice, consistent with Ninth Circuit practice,
3 consistent with California law approving the percentage of the fund method to award fees from a
4 common fund, *Laffitte v. Robert Half Intern. Inc.*, 1 Cal. 5th 480, 503 (2016), and not inappropriate in
5 light of the many hours expended by attorneys and paralegals performing work for Plaintiff before and
6 after the filing of this matter. That work includes:

- 7 (a) Numerous interviews with Plaintiff and review of documents provided by Plaintiff;
- 8 (b) Investigation of the matter and exploring the corporate structure of Defendant;
- 9 (c) Legal research and investigation regarding the Defendant's practices at numerous
10 points in the litigation;
- 11 (d) Legal research regarding claims in this action;
- 12 (e) Preparation of multiple drafts of the original class action complaint and finalization
13 and filing of the original class action complaint;
- 14 (f) Review of an amended complaint that added Plaintiff' PAGA claim, and
15 finalization of that complaint;
- 16 (g) Drafting the LWDA Notice letter;
- 17 (h) Drafting joint statements and joint stipulations;
- 18 (i) Review of payroll and time data;
- 19 (j) Review of Defendant's policy documents;
- 20 (k) Extensive "meet and confer" efforts with Defendant's counsel regarding the
21 sample size and to obtain relevant documents and information through informal
22 discovery;
- 23 (l) Selecting a mediator and mediation date;
- 24 (m) Conducting informal discovery;
- 25 (n) Review of the records produced by Defendant in response to informal discovery;
- 26 (o) Working with opposing counsel for the receipt of a representative sampling and
27 analyzing the same with the aid of expert consultants and Plaintiff to perform
28 analyses of liability and exposure prior to attendance of the mediation;

- (p) Preparation of a damages model with the aid of a statistics expert, analysis of the audit/analysis results;
- (q) Communicate with Plaintiff who requested updates or other information regarding this matter;
- (r) Research and preparation of the mediation brief;
- (s) Attendance at mediation;
- (t) Drafting, negotiating, and reviewing multiple drafts of the Settlement Agreement and attachments; and
- (u) Preparation of the initial motion for preliminary approval and multiple revisions thereafter.

32. I anticipate that Class Counsel will spend an additional 40 hours on this matter, appearing at the hearing of preliminary approval, answering class member calls, working with the administrator to finalize documents in mailing format, conferring with counsel over any notice issues, drafting the final approval motion and motion for fees and costs, appearing at the final approval hearing, and resolving any post-approval issues that may arise, and appearing at a final accounting hearing. Class Counsel has also incurred costs in this matter that will be detailed at the time final approval is sought. Class Counsel has agreed to a cap on recoverable costs of \$20,000, and if total incurred costs exceed the cap, Class Counsel will request no more than the agreed-upon cap.

THE CONTRIBUTION OF PLAINTIFF AND THE REASONABLENESS OF THE REQUESTED
SERVICE PAYMENT

33. Here, Plaintiff seek a Service Payment of **\$7,500.00**. This amount is very reasonable given the risks undertaken by Plaintiff for involvement in the Action. Taking the risk of filing a lawsuit against an employer deserves recognition, especially in light of the settlement achieved by Plaintiff. Additionally, Plaintiff were actively involved in the litigation and settlement negotiations of this Action, expending considerable effort in advancing the interests of the Class. Plaintiff provided information to counsel before the filing of this matter; assisted with the settlement process (which included conferring with counsel during the preparation of Plaintiff's mediation brief) and regularly conferred with counsel regarding the case whenever questions arose. I estimate that Plaintiff contributed dozens of hours of time

1 to the prosecution of this matter. The enhancement also recognizes the considerable risks Plaintiff
2 undertook on behalf of the Class to be personally liable for all costs incurred regardless of the success of
3 the litigation or class certification, as well as the personal risk of facing intrusive discovery and potential
4 disclosure to future employers that Plaintiff sued a former employer, making future employment
5 prospects uncertain and general release of all claims beyond wage-and-hour claims released in this action
6 which other Class Members did not release and waiver of Section 1542 of the California Civil Code.
7 Plaintiff's Declaration also confirms that Plaintiff was an active participant in the filing and settlement of
8 this case.

9 THE THIRD-PARTY ADMINISTRATOR

10 34. The parties have agreed that administration will be handled by a third-party administrator.
11 In counsel's experience as class counsel in similar wage-and-hour actions with a similar number of
12 employees, ILYM Group, Inc. is fully capable of administering the settlement at a competitive and
13 reasonable cost and should be approved by the Court to administer the settlement notice process.
14 Phoenix was selected because it submitted a low bid in the amount of **\$5,550.00** for administration
15 services. ILYM Group, Inc. has also provided a declaration confirming its experience and its
16 implementation of measures designed to protect Class Member data and Class Settlement funds.

17 CLASS CERTIFICATION

18 35. The class is ascertainable by objective criteria. The Class Members are: All current and
19 former non-exempt employees of Defendant worked within the State of California at any time during
20 the Class Period. the "Class Period" is from May 15, 2020 through the date the Court grants
21 preliminary approval of this settlement or May 26, 2025, whichever is earlier). "Settlement Class
22 Members" are those Class Members who do not submit timely exclusion requests to the Settlement
23 Administrator. (Settlement, ¶¶ 3-4.)

24 36. The class is sufficiently numerous. Based upon Defendant's records, Defendant
25 represented that there are approximately 86 Class Members as of February 26, 2025. Plaintiff's
26 counsel believes that the data is reliable.

27 37. Plaintiff is typical of the Class. Plaintiff was an employee of Defendant. Plaintiff
28 worked during the class period. Plaintiff's claims are typical of the claims of the Class proposed in this

1 settlement. Like other class members, Plaintiff experienced work under policies and procedures
2 impacting wage and hour compliance. No unique defenses applicable to Plaintiff has been identified
3 that do not also exist as to other Class Members.

4 38. Common *issues* exist. Here, Class Members have shared a common interest in
5 determining whether Defendant violated wage and hour requirements under state and related federal
6 law, including the following issues: i. Whether or not Defendant paid proper wages to the Class; ii.
7 Whether or not Defendant provided meal periods to the Class; iii. Whether or not Defendant provided
8 rest periods to the Class; iv. Whether or not Defendant paid compensation timely upon separation of
9 employment to former Class Members; v. Whether or not Defendant paid compensation timely
10 throughout Class Members' employment; vi. Whether or not Defendant provided accurate itemized
11 wage statements to the Class; vii. Whether or not waiting-time penalties are available to the Class for
12 violation of California Labor Code § 203; viii. Whether or not Defendant reimbursed for necessary
13 business expenses pursuant to California Labor Code § 2802; ix. Whether or not Defendant engaged in
14 unlawful or unfair business practices affecting the Class in violation of California Business and
15 Professions Code §§ 17200-17208; and x. Whether or not Plaintiff and the Class are entitled to
16 penalties pursuant to PAGA.

17 39. From our review of the documentation provided, we determined that for purposes of
18 these claims, Defendant's policies and practices are either identical, or sufficiently similar, to raise the
19 same questions of liability, and applied to all Class Members. Because Class Members would have to
20 prove the same issues of law and fact to prevail, and because their potential legal remedies are identical,
21 it would be preferable to resolve all Class Members' claims by means of the Settlement than to require
22 each Class Member to litigate his or her individual claims. Therefore, common questions predominate
23 over any questions that may be unique to individual Class Members, and class-wide settlement is
24 superior to any other method of resolution.

25 40. My Declaration, in Paragraphs above, summarizes the firm's experience that establishes
26 its adequacy to represent the Class. Plaintiff's counsel has no known conflicts of interest with absent
27 Class Members. Plaintiff have demonstrated, through participation in this action, a willingness to serve
28 as a representative for the Class. Plaintiff has no known conflicts of interest with absent Class

Members and has agreed to place the class interests above Plaintiff's own. Plaintiff's actions also demonstrate adequacy.

41. By consolidating all of these potential individual actions into one proceeding, this Court's use of the class action device enables it to manage this litigation in a manner that serves the economics of time, effort and expense for the litigants and the judicial system. Absent class treatment, similarly-situated employees with small but potentially meritorious claims for damages would, as a practical matter, have no means of redress because of the time, effort and expense required to prosecute individual actions. Moreover, in the context of settlement, superiority concerns are almost non-existent, since case management is controlled and a methodology for trial need not be identified.

EXHIBITS

42. As noted above, a true and correct copy of the JOINT STIPULATION OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT is attached hereto as **Exhibit "1."** The Settlement includes Exhibit A (the "Notice").

43. Attached hereto as **Exhibit "2"** is a Proof of Service of the proposed settlement papers to the Department of Industrial Relations, through its online submission portal.

PAGA SETTLEMENT NOTIFICATION TO DIR

44. Counsel for Plaintiff provided notice of the requested approval of the PAGA settlement through the online submission portal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed this 22nd day of April 2025, at Glendale, California.



LILIT TUNYAN, "Declarant"

Exhibit “1”

Lilit Tunyan (SBN 329351)
ltunyan@tunyanlaw.com
Artur Tunyan (SBN 349174)
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N. Brand Blvd., Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

Attorneys for Plaintiff JAVIER HERNANDEZ,
as an individual and on behalf of all employees similarly situated

John T. Egley (SBN 232545)
jegley@calljensen.com
Madeleine K. Lee (SBN 258520)
mlee@calljensen.com
CALL & JENSEN
A Professional Corporation
610 Newport Center Drive, Suite 700
Newport Beach, CA 92660
Tel: (949) 717-3000

Attorneys for Defendant PRECISE AEROSPACE MANUFACTURING, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

JAVIER HERNANDEZ, as an individual and on
behalf of all employees similarly situated,

Plaintiff,

v.

PRECISE AEROSPACE MANUFACTURING,
INC., a California Corporation; and DOES 1
through 50, inclusive,

Defendant.

Case No.: 30-2024-01400056-CU-OE-CXC

[Assigned for all purposes to Hon. Randall J.
Sherman, Department CX105]

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

Action Filed: May 15, 2024
Trial Date: Not set

JOINT STIPULATION OF CLASS AND PAGA REPRESENTATIVE ACTION
SETTLEMENT

This Joint Stipulation of Class and PAGA Representative Action Settlement (“Settlement Agreement” or “Settlement” or “Agreement”) is made and entered into by and between Plaintiff JAVIER HERNANDEZ, individually, and on behalf of all others similarly situated, (“Plaintiff” or “Class Representative”), and Defendant PRECISE AEROSPACE MANUFACTURING, INC. (“Defendant”). Plaintiff and Defendant are collectively referred to herein as “the Parties.”

THE PARTIES STIPULATE AND AGREE as follows:

DEFINITIONS

1. “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendant entitled *Hernandez v. Precise Aerospace Manufacturing, Inc.*, pending in Orange County Superior Court, Case No. 30-2024-01400056-CU-OE-CXC is referred to herein as the “Action.”
2. “Complaint” refers to the operative complaint, which is the First Amended Complaint.
3. “Class Period” means the period from May 15, 2020 through the date the Court grants preliminary approval of this settlement or May 26, 2025, whichever is earlier.
4. “Class” or “Class Members” consist of: All current and former non-exempt employees of Defendant worked within the State of California at any time during the Class Period. “Settlement Class Members” are those Class Members who do not submit timely exclusion requests to the Settlement Administrator. Defendant’s best estimate is that the Class included approximately 86 individuals as of February 26, 2025.
5. “Class Counsel” means TUNYAN LAW, APC.
6. “Class Representative” or “Plaintiff” means Plaintiff JAVIER HERNANDEZ.
7. “Covered Workweeks” means the number of weeks Class Members worked for Defendant in California during the Class Period. “Covered Workweek” is defined as any week during which a Class Member worked for Defendant for at least one day, during the Class Period. Defendant may determine the Covered Workweeks using each Class Members’ dates of employment or, if feasible to do so, determine Covered Workweeks by excluding workweeks where no hours were worked due to a leave of absence, vacation, or other reason.

1 8. “Response Deadline” means sixty (60) days after the Settlement Administrator initially
2 mails the Notice Packet to Settlement Class Members and the last date on which Settlement Class
3 Members may submit a request for exclusion or written objection to the Settlement. In the case of a re-
4 mailed Notice Packet, the Response Deadline will be the later of 60 calendar days after initial mailing or
5 14 calendar days from re-mailing. The Response Deadline may be extended only as expressly described
6 herein.

7 9. “Defendant’s Counsel” means CALL & JENSEN A Professional Corporation.

8 10. “PAGA Allocation” means the amount that the Parties have agreed to allocate to resolution
9 of the claim for violation of the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§
10 2698, *et seq.*, “PAGA”). The Parties have agreed that the PAGA Allocation will be \$20,000.00 from the
11 Gross Settlement Amount. Pursuant to PAGA, Seventy Five Percent (75%), or \$15,000.00, of the PAGA
12 Allocation will be paid to the LWDA (“PAGA Penalty Payment”), and Twenty Five Percent (25%), or
13 \$5,000.00, of the PAGA Allocation will be included in the Net Settlement Amount for PAGA Employees
14 (“PAGA Settlement Payment”).

15 11. “PAGA Period” means the period from May 15, 2023 through the date the Court grants
16 preliminary approval of this settlement or May 26, 2025, whichever is earlier.

17 12. “PAGA Employees” means all Class Members that worked at any time during the PAGA
18 Period. PAGA Employees cannot opt out of the settlement of the PAGA claim.

19 13. “PAGA Pay Periods” means the number of pay periods PAGA Employees worked during
20 the PAGA Period. “ PAGA Pay Period” is defined as any week during which a PAGA Employee worked for
21 Defendant for at least one day, during the PAGA Period. Defendant may determine the PAGA Pay Periods
22 using each PAGA Employee’s dates of employment or, if feasible to do so, determine PAGA Pay Periods by
23 excluding PAGA Pay Periods where no hours were worked due to a leave of absence, vacation, or other reason.

24 14. “Released Class Claims” means the claims being released as described in Paragraph 37
25 below.

26 15. “Released PAGA Claims” means the claims being released as described in Paragraph 37
27 below.

28 16. “Settlement Payments” means all of the payments to Settlement Class Members

1 (“Settlement Class Payments”) and all of the payments to the PAGA Employees (“PAGA Settlement
2 Payments”).

3 **STIPULATED BACKGROUND**

4 17. On May 15, 2024, Plaintiff filed a putative Class Action alleging the following labelled
5 causes of action: (1) failure to pay all wages; (2) failure to provide meal periods; (3) failure to provide rest
6 periods; (3) failure to maintain and provide accurate itemized wage statements; (5) failure to indemnify
7 necessary business expenses; (6) failure to timely pay all wages and final wages; (7) Unfair Business
8 Practices in violation of Bus. & Prof. Code § 17200 et seq. On July 22, 2024, Defendant filed his First
9 Amended Complaint adding the Private Attorneys General Act (“PAGA”) cause of action. In the
10 Complaint, Plaintiff sought to represent all persons that worked for Defendant in California as an hourly-
11 paid, non-exempt employee at any time during the period beginning four years before the filing of the
12 initial complaint and ending when Notice to the Class is sent.

13 18. Plaintiff satisfied the administrative exhaustion requirement that is a prerequisite to filing a
14 claim for Civil Penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699,
15 et seq.] (“PAGA”) by submission of the notice to the LWDA and Defendant on May 14, 2024.

16 19. Solely for purposes of settling this case, the Parties and their respective counsel stipulate
17 and agree that the requisites for establishing class certification with respect to the Class Members have
18 been met and are met.

19 20. Should, for whatever reason, the Settlement not become effective, class certification as part
20 of the Settlement shall have no bearing on, and shall not be admissible in connection with whether Class
21 Members and/or the class claims should be certified in a non-Settlement context in this Action or in any
22 other lawsuit. Defendant expressly reserves their right to oppose class certification in this or any other
23 action should this Settlement not become effective.

24 21. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the
25 claims alleged in the Action, and Defendant further denies that, for any purpose other than settling this
26 lawsuit, the action is appropriate for class or representative treatment. Defendant contends, among other
27 things, that it has complied at all times with the California Labor Code and the applicable Wage Orders of
28 the Industrial Welfare Commission. Furthermore, with respect to all claims, Defendant contends that it

has complied at all times with the California Business and Professions Code.

22. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising from or related to the Complaint.

23. Class Counsel has conducted a thorough investigation into the facts of this Action, including an extensive review of relevant documents, and has diligently pursued an investigation of the claims of the class and PAGA claims against Defendant. Based on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class and PAGA employees in light of all known facts and circumstances, including the risk of significant delay, the risk the Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate issues. Defendant and Defendant's Counsel also agree that the Settlement is fair and in the best interest of the Class.

24. The Parties agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement. Class Counsel is responsible for preparing the motion for preliminary approval of the Settlement as well as any motion for final approval. Both Class Counsel and Defendant's Counsel shall provide a declaration in support of approval motion informing the court as to whether the parties, after making reasonable inquiry, are aware of any class, representative or other collective action in any other court that asserts claims similar to those asserted in the action being settled. If any such actions are known to exist, the declarations shall also state the name and case number of any such case and the procedural status of that case and describe the impact of the settlement on that case.

25. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.

PRIMARY TERMS OF SETTLEMENT

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

- (a) It is agreed by and among the Settlement Class, PAGA Employees, and Defendant that this case and any claims, damages, or causes of action arising out of the

disputes which are the subject of this case, be settled and compromised as between the Settlement Class, PAGA Employees, and Defendant, subject to the terms and conditions set forth in this Settlement and the approval of the Court.

- (b) Effective Date: The "Effective Date" of the Settlement will be the date by when both of the following have occurred: (a) the Court enters a judgment on its order granting final approval of this settlement; and (b) the judgment is final. The judgment is final as of the latest of the following occurrences: (a) if no participating Class Member objects to the Settlement, the day the Court enters judgment; (b) if one or more participating Class Members objects to this settlement, the day after the deadline for filing a notice of appeal from the judgment; or if a timely appeal from the judgment is filed, the day after the appellate court affirms the judgment and issues a remittitur.
- (c) Gross Settlement Amount: Defendant's maximum total payment under the Settlement, including all attorney's fees and costs, the Service Payment to Class Representative, the costs of settlement administration, the PAGA Allocation, and any other payments provided by this Settlement, is Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00) ("Gross Settlement Amount"), subject to the Escalator Clause and except that, to the extent that any portions of the Class Members' Settlement Payments constitute wages, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions.
- (d) Escalator Clause: Defendant estimates that the number of Class Members was approximately 86 individuals as of February 26, 2025, and the number of Covered Workweeks worked in the Class Period for those Class Members was approximately 3,889 as of that date. If it is later determined that, the number of Covered Workweeks in the Class Period is more than 10% greater than the estimated number of workweeks as of February 26, 2025, i.e. exceeds 4,278 workweeks, at Defendant's sole election, Defendant can either: (1) have the Gross

1 Settlement Amount increased proportionally by the Covered Workweeks actually
2 worked in the Class Period in excess of 4,278 Covered Workweeks by a pro-rata
3 dollar value equal to the number of Covered Workweeks in excess of 4,278
4 Covered Workweeks (For example, if there is a 1% increase over 10% then the
5 Gross Settlement Amount increases by 1%); or (2) the Class Period shall end on
6 the date the number of Covered Workweeks reaches 4,278. Should Defendant elect
7 option (2) above and end the Class Period early, then Defendant shall notify Class
8 Counsel of its election no later than seven (7) days after Defendant has received
9 sufficient information to determine that the actual number of Covered Workweeks
10 exceeds 4,278. (the "Escalator Clause").

- 11 (e) Non-reversionary Settlement: No portion of the Gross Settlement Amount will
12 revert to Defendant.
- 13 (f) No Claims Required: Class Members will not be required to submit a claim to
14 receive their Settlement payment.
- 15 (g) Net Settlement Amount: The Net Settlement Amount shall be calculated by
16 deducting from the Gross Settlement Amount the following sums, subject to
17 approval by the Court: (1) attorney's fees (not to exceed 33 and 1/3% of the Gross
18 Settlement Amount, or \$75,000.00); (2) reasonable litigation costs (not to exceed
19 \$20,000.00); (3) the Service Payment to Class Representative (not to exceed
20 \$7,500.00); (4) the PAGA Penalty Payment in the amount of \$15,000.00 (which is
21 75% of the PAGA Allocation); and (5) costs of settlement administration
22 (estimated not to exceed \$7,000.00). Settlement Payments to the Class Members
23 and PAGA Employees will be calculated by the Settlement Administrator and paid
24 out of the Net Settlement Amount as set forth below.
- 25 (h) Payroll Taxes and Required Withholdings: To the extent that any portions of the
26 Settlement Class Members' Settlement Payments constitute wages, Defendant will
27 be separately responsible for any **employer** payroll taxes required by law,
28 including the employer FICA, FUTA, and SDI contributions. Except for any

1 employer payroll taxes, it is understood and agreed that Defendant's maximum
2 total liability under this Settlement shall not exceed the Gross Settlement Amount.
3 The Settlement Administrator will calculate and submit the Defendant's employer
4 share of payroll taxes after advising Defendant of the total amount owed, in
5 aggregate, as employer-side payroll taxes and receiving a lump sum payment from
6 Defendant in that amount when the Gross Settlement Amount is delivered to the
7 Settlement Administrator.

8 (i) Settlement Class Payments (Excludes PAGA Payments): Settlement Class
9 Payments will be paid out of the Net Settlement Amount. Each Settlement Class
10 Member (i.e., those Class Members who do not opt out of the Class Settlement, as
11 defined above) will be paid a pro-rata share of the Net Settlement Amount, less the
12 PAGA Settlement Payments totalling \$5,000.00, as calculated by the Settlement
13 Administrator. The pro-rata share will be determined by comparing the individual
14 Settlement Class Member's Covered Workweeks employed during the Class
15 Period in California to the total Covered Workweeks of all the Settlement Class
16 Members during the Class Period as follows: [Workweeks worked by a Settlement
17 Class Member] ÷ [Sum of all Covered Workweeks worked by all Settlement Class
18 Members] × [Net Settlement Amount – all PAGA Settlement Payments] =
19 individual Settlement Payment for a Settlement Class Member. Settlement Class
20 Payments in the appropriate amounts will be distributed by the Settlement
21 Administrator by mail to the Settlement Class Members. Uncashed, unclaimed or
22 abandoned checks, shall be transmitted to the California Controller's Office, as set
23 forth below.

24 (j) PAGA Payments: PAGA Settlement Payments will be paid out of the Net
25 Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the
26 PAGA Employees' PAGA Settlement Payment, as calculated by the Settlement
27 Administrator. Class Members will not be permitted to exclude themselves from
28 this portion of the Settlement. The pro-rata share will be determined by comparing

the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period as follows: [PAGA Pay Periods worked by a PAGA Employee] ÷ [Sum of all PAGA Pay Periods worked by all PAGA Employees] × [PAGA Settlement Payment to Employees, i.e. \$5,000.00] = individual PAGA Employee's portion of the PAGA Settlement Payment. PAGA Settlement Payments to PAGA Employees in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Employees at the same time Settlement Class Payments issue to the Settlement Class. Uncashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth below. The LWDA's PAGA Penalty Payment will issue to the LWDA at the same time Settlement Payments issue to the Settlement Class.

(k) Allocation of Settlement Payments: The Parties have agreed that Settlement Class Payments will be allocated as follows: 20% wages and 80% penalties and interest. The PAGA Settlement Payment shares to PAGA Employees will be entirely allocated to penalties. Appropriate federal, state and local withholding taxes will be taken out of the wage allocations, and each Class Member will receive an IRS Form W-2 with respect to this portion of the Settlement Payment. The employer's share of payroll taxes and other required withholdings will be paid as set forth above, including but not limited to the Defendant' FICA and FUTA contributions, based on the payment of claims to the Class Members. IRS Forms 1099 will be issued to each Class Member reflecting the payments for penalties and interest. Class Members are responsible to pay appropriate taxes due on the Settlement Payments they receive. To the extent required by law, IRS Forms 1099 and W-2 will be issued to each Class Member with respect to such payments. All PAGA Settlement Payments will be allocated as 100% penalties.

(l) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement Payments to individual Class Members shall be deemed to be paid to such Class

1 Member solely in the year in which such payments actually are received by the
2 Class Member. It is expressly understood and agreed that the receipt of such
3 Settlement Payments will not entitle any Class Member to additional compensation
4 or benefits under any company bonus, contest or other compensation or benefit
5 plan or agreement in place during the period covered by the Settlement, nor will it
6 entitle any Class Member to any increased retirement, 401(k) benefits or matching
7 benefits or deferred compensation benefits. It is the intent that the Settlement
8 Payments provided for in this Settlement are the sole payments to be made by
9 Defendant to the Class Members, and that the Class Members are not entitled to
10 any new or additional compensation or benefits as a result of having received the
11 Settlement Payments (notwithstanding any contrary language or agreement in any
12 benefit or compensation plan document that might have been in effect during the
13 period covered by this Settlement).

14 (m) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not
15 object to Class Counsel's application for attorney's fees not to exceed 33 and 1/3%
16 of the Gross Settlement Amount (\$75,000.00) and reimbursement of litigation
17 costs and expenses not to exceed \$20,000.00. Approved attorney's fees and
18 litigation costs shall be paid at the same time Settlement Payments issue to the
19 Settlement Class.

20 (n) Service Payment: Subject to Court approval, and in exchange for a
21 general release and for representing Class Members, Defendant will not
22 object to Class Counsel's application for a payment of up to \$7,500.00 to
23 Plaintiff for service as a Class Representative ("Service Payment"). It is
24 understood that the Service Payment is in addition to the individual
25 Settlement Payment to which a Class Representative is entitled to along
26 with the other Class Members. This Settlement is not contingent upon
27 the Court awarding Plaintiff any particular amount in Class
28 Representative Service Payment. Any amount requested by Plaintiff for

1 the Class Representative Service Payment and not awarded by the Court
2 shall become part of the Net Settlement Amount and shall be distributed
3 to Participating Class Members as part of their Individual Settlement
4 Payments. In exchange, Plaintiff and his respective former and present
5 spouses, representatives, agents, attorneys, heirs, administrators,
6 successors, and assigns generally, release and discharge Released Parties
7 from all claims, transactions, or occurrences that occurred during the
8 Class Period, including, but not limited to all claims, demands, rights,
9 liabilities and causes of action of every nature and description
10 whatsoever, known or unknown, asserted or that might have been
11 asserted, whether in tort, contract, or for violation of any state or federal
12 statute, rule or regulation arising out of, relating to, or in connection with
13 any act or omission by or on the part of any of the Released Parties
14 arising out of, based upon, or relating to Plaintiff's employment with
15 Defendant or the remuneration for or termination of such employment
16 committed or omitted prior to the execution of the Settlement
17 Agreement. ("Plaintiff's Release.") Plaintiff's Release does not extend to
18 any claims or actions to enforce the Settlement Agreement, or to any
19 claims for vested benefits, unemployment benefits, disability benefits,
20 social security benefits, workers' compensation benefits that arose at any
21 time. Plaintiff acknowledges that Plaintiff may discover facts or law
22 different from, or in addition to, the facts or law that Plaintiff now knows
23 or believes to be true but agrees, nonetheless, that Plaintiff's Release
24 shall be and remain effective in all respects, notwithstanding such
25 different or additional facts or Plaintiff's discovery of them. ("Plaintiff's
26 Released Claims"). For purposes of Plaintiff's Release, Plaintiff expressly
27 waives and relinquishes the provisions, rights, and benefits, if any, of
28 Section 1542 of the California Civil Code, which reads: A general release
does not extend to claims which the creditor or releasing party does not

1 know or suspect to exist in his or her favor at the time of executing the
2 release, which if known by him or her must have materially affected his or
3 her settlement with the debtor or Released Party.

4 a. Defendant or the Settlement Administrator will issue an IRS Form 1099
5 for the Service Payment to Plaintiff. Plaintiff will be solely and legally
6 responsible for correctly characterizing this compensation on personal
7 income tax returns for tax purposes and for paying any taxes on the
8 amounts received and shall hold harmless Released Parties, Class Counsel,
9 and Defense Counsel from any claim or liability for taxes, penalties, or
10 interest arising as a result of payment of the Class Representative Service
11 Payment.

12 b. Plaintiff agrees not to opt out or object to the Service Payment as the Class
13 Representative.

14 (o) Settlement Administrator: The Settlement Administrator will be ILYM Group Inc.
15 Settlement Administration Costs are estimated not to exceed \$7,000. ILYM Group,
16 Inc.'s low bid for settlement administration services in the amount of **\$5,550.00**
17 was selected as the lowest bid from a competitive bidding process. The costs of
18 the Settlement Administrator for work done shall be paid regardless of the outcome
19 of this Settlement. Settlement Administration Expenses shall not exceed the
20 estimate of the Settlement Administrator to administrate the settlement. Defendant
21 and Defendant's counsel shall not enter into any contractual relationship with the
22 Settlement Administrator. Fees of the Settlement Administrator shall be paid out of
23 the Gross Settlement Amount. To the extent the Court awards payment of
24 Settlement Administration Expenses that is less than the amount requested, the
25 remainder shall become part of the Net Settlement Amount as defined herein.
26 Defendant and Defendant's counsel shall not bear any responsibility for errors or
27 omissions in the calculation of or distribution of the settlement payments or
28

development of the list of recipients of settlement payments.

- (p) Funding of Settlement Account: Defendant will fund the Gross Settlement Amount within twenty (20) calendar days from the Effective Date. Defendant shall also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Settlement Administrator with Gross Settlement Amount.
- (q) Distribution and Mailing of Settlement Payments: The Settlement Administrator shall mail checks for Individual Settlement Class Payments and Individual PAGA Settlement Payments and distribute the Class Counsel's Fees and Costs, Service Payment to Plaintiff, LWDA's PAGA Penalty Payment, and the Settlement Administration Costs no later than fourteen (14) calendar days after Defendant funds the Gross Settlement Amount.
- (r) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement ("Notice") attached to this Agreement as **Exhibit B** as well as Objection Form and Exclusion Form attached to this Agreement as **Exhibits C and D** (together with "Notice""Notice Packet"). For each Class Member, there will be pre-printed information on the mailed Notice, based on Defendant's records, stating the Class Member's Covered Workweeks during the Class Period and the estimated total Settlement Payment under the Settlement, including the Settlement Class Payment and the PAGA Settlement Payment that will be distributed irrespective of any exclusion request.
- (s) Settlement Notice Language: The Notice Packet will issue in English and Spanish.
- (t) Class Members Cannot Exclude Themselves from the Released PAGA Claims: Class Members submitting a Request for Exclusion will nevertheless receive their pro-rata share of the PAGA Settlement Payment. If the Court approves the compromise of the PAGA Claim, all Class Members are bound by the Court's

1 resolution of the PAGA Claim. Plaintiff shall serve a notice of settlement on the
2 California Labor and Workforce Development Agency at or before the time
3 Plaintiff files the motion for preliminary approval.

4 (u) Resolution of Covered Workweeks Disputes: Defendant's records will be
5 presumed determinative, absent credible evidence to rebut the accuracy of the
6 Covered Workweeks credited to a Class Member based thereon. If a Class
7 Member disputes the Covered Workweeks credited to him or her, as stated in the
8 Notice, the Class Member must submit written correspondence to the Settlement
9 Administrator that is postmarked no later than the Response Deadline explaining
10 the basis for the dispute and including any supporting documentation showing that
11 the Covered Workweeks credited to him or her is inaccurate. The Settlement
12 Administrator must encourage the challenging Class Member to submit supporting
13 documentation. If a Class Member disputes the accuracy of Defendant's records
14 used to calculate Covered Workweeks, the Settlement Administrator will evaluate
15 the evidence submitted by the Class Member and make a decision as to which
16 figures should be applied. The parties shall file with the court all Workweeks
17 Disputes submitted by Class Members together with the evidence submitted by
18 Class Members, and the decision made based on that evidence. If the Class
19 Member, who disputed Covered Workweeks, does not agree with the decision
20 made by the Settlement Administrator, the court may review any decision made by
21 the Settlement Administrator regarding Covered Workweeks' disputes and will
22 make a final decision. If the Class Member, who disputed Covered Workweeks,
23 does not challenge the Settlement Administrator's decision, the Settlement
24 Administrator's decision becomes final.

25 (v) Right of Class Member to Request Exclusion from the Settlement: Any
26 Class Member may request to be excluded from the Class by returning a
27 completed "Request for Exclusion" form to the Settlement Administrator
28 within the Response Deadline. The form of Request for Exclusion that

1 will accompany the Notice is attached hereto as **Exhibit “C.”** The
2 Request for Exclusion Form accompanying the Notice will be pre-printed with
3 the Class Member’s name and address to facilitate identification by the
4 Settlement Administrator. To be complete, the Class Member must sign and
5 date the Request for Exclusion Form and include the last four digits of their
6 social security number. The name and last four digits of the Social Security
7 number provided by the Class Member on the Request for Exclusion Form must
8 match Defendant’s records as provided to the Settlement Administrator, or
9 match Defendant’s records for that particular Class Member. The name and
10 Social Security number provided by the Class Member will be deemed to match
11 Defendant’s records only if: (1) both the first name and the last name and the
12 last four digits of the Social Security number provided by the Class Member
13 match Defendant’s records; (2) the first name and the last four digits of the
14 Social Security number provided by the Class Member match Defendant’s
15 records and it appears the last name has been changed as a result of a change in
16 marital status or is a shortened or lengthened version of the name that appears in
17 Defendant’ records; or (3) the last four digits of the Social Security number and
18 last name match Defendant’s records and the first name provided is either a
19 nickname or a shortened or lengthened version of the name that appears in
20 Defendant’ records. Each Class Member who does not submit a Request for
21 Exclusion Form in compliance with this paragraph will be deemed to be a
22 Settlement Class Member. Settlement Class Members will be bound by all
23 terms of the Settlement Agreement and the final approval order and final
24 judgment. Any Class Member who submits a Request for Exclusion Form will
25 not be a Settlement Class Member, will not be entitled to receive any Settlement
26 Class Payment, and will not be bound by the Released Class Claims or have any
27 right to object, appeal, or comment thereon. No later than thirty (30) calendar
28 days before the final approval hearing, the Settlement Administrator shall
provide counsel for the Parties with a complete list of all Class Members who

1 have submitted a complete, valid, and timely Request for Exclusion Form
2 (“Exclusion List”). All Requests for Exclusion shall be submitted to the court.

3 (w) Right of Settlement Class Member to Object to The Settlement: Any Class
4 Member may object to the Settlement. To object, the Class Member may (1)
5 appear in person (including through an audio or video call appearance as allowed
6 by the Court) at the Final Approval Hearing to explain any objection, (2) have an
7 attorney object for the Class Member, or (3) submit a simple written brief or
8 statement of objection to the Settlement Administrator in the form attached hereto
9 as **Exhibit “D”**. If any Class Member chooses to submit a written objection not in
10 the form attached hereto as Exhibit “D”, the written objection must include: (1) the
11 objector’s full name, address, last four digits of his or her Social Security number,
12 and signature; (2) the case name and number. Class Counsel shall ensure that any
13 written objections are transmitted to the Court for the Court’s review (either by
14 Class Counsel or as an attachment to declaration from the Settlement
15 Administrator). Regardless of the form, an objection alone will not satisfy the
16 requirement that a Settlement Class Member must either make a timely complaint
17 in intervention before final judgment or by file a motion to set aside and vacate the
18 class judgment under Code of Civil Procedure § 663 to have standing to appeal
19 entry of judgment approving this Settlement, as is required under the California
20 Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260
21 (2018). If the objecting Class Member does not formally intervene in the action or
22 move to set aside any judgment and/or the Court rejects the Class Member’s
23 objection, the Class Member will still be bound by the terms of this Agreement.
24 Class Counsel and Defendant’s Counsel may, at least five (5) calendar days (or
25 some other number of days as the Court shall specify) before the final approval
26 hearing, file responses to any written objections submitted to the Court.

27 **THE SETTLEMENT ADMINISTRATOR’S PRIMARY DUTIES**

28 27. Subject to the Court’s approval, and subject to reconsideration by the Parties after a

1 competitive bidding process, the Parties have agreed to the appointment of ILYM Group Inc. to perform
2 the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice
3 Packet, both in English and Spanish, to the Class Members.

4 28. The Settlement Administrator will independently review the Covered Workweeks
5 attributed to each Class Member and will calculate the estimated amounts due to each Class Member and
6 the actual amounts due to each Settlement Class Member in accordance with this Settlement. The
7 Settlement Administrator shall report, in summary or narrative form, the substance of its findings. The
8 Settlement Administrator shall be granted reasonable access to Defendant's records in order to perform its
9 duties.

10 29. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement
11 Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment
12 checks to the Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in
13 accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's
14 performance of its duties shall be referred to the Court, if necessary, which will have continuing
15 jurisdiction over the terms and conditions of this Settlement until all payments and obligations
16 contemplated by this Settlement have been fully carried out.

17 30. The Settlement Administrator will post the First Amended Complaint, the notice letter to
18 LWDA, the Settlement Agreement, the court orders granting preliminary and final approval of the
19 Settlement and final judgment approving the Settlement, the Notice Packet on the Settlement
20 Administrator's website for a period of not less than 180 calendar days after the final judgment is entered.
21 The address of that website will be included in the Notice.

22 **ATTORNEY'S FEES AND COSTS**

23 31. In consideration for resolving this matter and in exchange for the release of all claims by
24 the Class Members, including Plaintiff, and subject to approval by the Court, Defendant will not object to
25 Class Counsel's application for attorney's fees not to exceed 33 and 1/3% of the Gross Settlement Amount
26 (\$75,000.00 of \$225,000.00) and litigation costs not to exceed \$20,000.00. The amounts set forth above
27 will cover all work performed and all fees and costs incurred to date, and all work to be performed and all
28 fees and costs to be incurred in connection with the approval by the Court of this Settlement and

administration of the Settlement. Should the Court approve a lesser amount(s) of attorney's fees and/or attorneys' costs, the difference between the lesser amount(s) and the maximum amount set forth above shall be added to the Net Settlement Amount. Class Counsel shall disclose to the Court any fee sharing agreements in existence. Plaintiff and/or Class Counsel request Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment with final approval motion. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in Class Counsel Fees Payments and/or Class Counsel Litigation Expenses Payments. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Released Parties and Defense Counsel harmless, and indemnifies Released Parties and Defense Counsel, from any dispute or controversy regarding any division or sharing of any of these Payments. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendant for such work.

THE NOTICE PROCESS

32. A Notice in approximately the form attached hereto as **Exhibit "B"**, the Request for Exclusion in approximately the form attached hereto as **Exhibit "C"** and the Objection Form in approximately the form attached hereto as **Exhibit "D"** (referred to jointly below as the "Notice packet") and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice packet shall be translated into Spanish so that Spanish and English language versions of the Notice packet are included in the mailing. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to forward the Notices to the Class.

- (a) Within 15 calendar days from the date of preliminary approval of this Settlement by the Court, Defendant shall provide to the Settlement Administrator a class

1 database containing the following information for each Class Member: (1) name;
2 (2) last known address; (3) social security number; and (4) dates of employment at
3 Defendant' location in California. This database shall be based on Defendant'
4 payroll and other business records and shall be provided in a format acceptable to
5 the Settlement Administrator. Defendant agrees to consult with the Settlement
6 Administrator prior to the production date to ensure that the format will be
7 acceptable to the Settlement Administrator. The Settlement Administrator will run
8 a check of the Class Members' addresses against those on file with the U.S. Postal
9 Service's National Change of Address List; this check will be performed only once
10 per Class Member by the Settlement Administrator. Absent mutual written
11 agreement of counsel for the Parties or Court order, the Settlement Administrator
12 will keep this database confidential and secure and use it only for the purposes
13 described herein, and will return this database to Defendant upon final approval of
14 the settlement or destroy electronic records containing the database after the
15 Settlement is final and all payments are distributed as required under this
16 Agreement. However, Plaintiff's Counsel shall be entitled to review anonymized
17 data showing the workweeks worked by each Class Member, with Class Member
18 identity concealed through use of an employee number or number assigned by the
19 Settlement Administrator.

20 (b) Within 14 calendar days after the Class database is provided to the Settlement
21 Administrator, the Settlement Administrator will mail the Notices to the Class
22 Members by First Class United States mail.

23 (c) Notices returned to the Settlement Administrator as non-deliverable on or before
24 the initial Response Deadline shall be resent to the forwarding address, if any, on
25 the returned envelope. A returned Notice will be forwarded by the Settlement
26 Administrator any time that a forwarding address is provided with the returned
27 mail. If there is no forwarding address, the Settlement Administrator will do a
28 computer search for a new address using the Class Member's social security

1 number or other information. In any instance where a Notice is re-mailed, that
2 Class Member will have until the extended Response Deadline as described above.
3 A letter prepared by the Settlement Administrator will be included in the re-mailed
4 Notice in that instance, stating the extended Response Deadline if different than the
5 original Response Deadline. Upon completion of these steps by the Settlement
6 Administrator, Defendant and the Settlement Administrator shall be deemed to
7 have satisfied their obligations to provide the Notice to the affected Class Member.
8 The affected Class Member shall remain a member of the Settlement Class and
9 shall be bound by all the terms of the Settlement and the Court's Order and Final
10 Judgment.

- 11 (d) Class Counsel shall provide to the Court, at least five calendar days prior to the
12 final approval hearing, or such other date as set by the Court, a declaration by the
13 Settlement Administrator of due diligence and confirming mailing of the Notices.

14 **DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS**

15 33. As set forth above, each Class Member will have until the expiration of the applicable
16 Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class
17 Member's Covered Workweek information on the Notice. No disputes will be honored if they are
18 submitted after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute.
19 Each Class Member is responsible to maintain a copy of any documents sent to the Settlement
20 Administrator and a record of proof of mailing.

21 34. The Settlement Administrator shall cause the Settlement Payments to be mailed to the
22 Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and
23 PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and
24 negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will
25 automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member
26 within that time, and the Class Member's relevant claims will remain released by the Settlement.
27 Settlement Payment checks which have expired will not be reissued.

28 35. Funds from uncashed or abandoned Settlement Payment checks, based on a 180-day void

1 date, shall be transmitted to the California State Controller's Office for Unclaimed Property in the name of
2 each Class Member who failed to cash their Settlement Payment check prior to the void date.

3 36. Upon completion of its calculation of Settlement Payments, the Settlement Administrator
4 shall provide Class Counsel and Defendant's Counsel with a report listing the amounts of all payments to
5 be made to Class Members (to be identified anonymously by employee number or other identifier). A
6 Declaration attesting to completion of all payment obligations will be provided to Class Counsel and
7 Defendant's Counsel and filed with the Court by Class Counsel.

8 **RELEASE BY THE CLASS**

9 37. Upon the final approval by the Court of this Settlement and Defendant's payment of all
10 sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this
11 Settlement, Class Representative, the Class and each Class Member who has not submitted a valid and
12 timely request for exclusion as to claims other than the PAGA claim, will release claims as follows:

13 (a) **Identity of Released Parties.** The released parties are Defendant and each of
14 Defendant's respective past, present and future heirs, executors, administrators,
15 parents, subsidiaries and affiliates, successors and assigns; and the past, present and
16 future shareholders, managers, officers, partners, members, agents, contractors,
17 employees, attorneys, insurers, predecessors, acquirors, successors and assigns of
18 any of the foregoing; and any other individual or entity that could be jointly liable
19 with Defendant for the claims asserted in the Complaint in the Action (collectively
20 "Released Parties").

21 (b) **Date Release Becomes Effective.** The Released Claims will be released upon the
22 later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's
23 obligation to provide to the Settlement Administrator a sum in the amount required
24 to satisfy all required payments and distributions pursuant to this Settlement and
25 the Order and Judgment of final approval. Class Members will not release the
26 Released Class Claims or Released PAGA Claims until both the Effective Date of
27 the Settlement has occurred, **and** Defendant have paid all amounts owing under the
28 Settlement.

1 (c) **Claims Released by Settlement Class Members.** Each and every Class Member,
2 on behalf of themselves and their respective former and present representatives,
3 agents, attorneys, heirs, administrators, successors, and assigns their respective
4 former and present representatives, agents, attorneys, heirs, administrators,
5 successors, and assigns, unless he or she has submitted a timely and valid Request
6 for Exclusion (which will not effectuate an opt-out from the release of Released
7 PAGA Claims), hereby releases Released Parties from the following claims for the
8 entire Class Period:

- 9 1) all claims that were alleged, or reasonably could have been alleged,
10 based on the Class Period facts stated in the Complaint in the Action
11 and the PAGA Notices submitted by Plaintiff predicated on any of the
12 violations of the California Labor Code, Business and Professions Code,
13 and the applicable IWC Wage Order as alleged in the Complaint
14 including but not limited to, claims for restitution and other equitable
15 relief, liquidated damages, or penalties; and any other benefit, wages,
16 penalties, interest, attorneys' fees, costs, or other amounts, to the extent
17 permissible, claimed on account of the allegations or the primary rights
18 asserted in the Complaint for alleged violations of California Labor
19 Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226(a)
20 226.3, 226.7, 510, 512, 558, 558.1, 6400, 6401, 6402, 6403, 6404,
21 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197,
22 1198, 1199, 2802, 6427, 6428, 6429 ("Released Class Claims").
23 Class Members do not release any claims that cannot be released by law
24 including, without limitation, claims for vested benefits, wrongful
25 termination, violation of the Fair Employment and Housing Act,
26 unemployment insurance, disability, social security, workers'
27 compensation, or claims based on facts occurring outside the Class
28 Period.

2) in addition, all PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Complaint in the Action and the PAGA Notice attached hereto as **Exhibit A** submitted by Plaintiff predicated on any of the violations of the California Labor Code, Business and Professions Code, and the applicable IWC Wage Order as alleged in the Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, interest, attorneys' fees, costs or other amounts claimed, to the extent permissible, on account of the allegations or the primary rights asserted in the Complaint for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226(a) 226.3, 226.7, 510, 512, 558, 558.1, 6400, 6401, 6402, 6403, 6404, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197, 1198, 1199, 2802, 6427, 6428, 6429, to the extent permissible ("Released PAGA Claims").

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

38. The Parties shall submit this Settlement Agreement to the Court in support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its fairness, adequacy, and reasonableness. Upon execution of this Settlement Agreement, Plaintiff shall apply to the Court for the entry of an order:

- (a) Scheduling a final approval and fairness hearing on the question of whether the proposed Settlement, including payment of attorney's fees and costs, LWDA payment and the Class Representative's service payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;
- (b) Certifying a Class;

- (c) Approving as to form and content the proposed Notice Packet;
- (d) Directing the mailing of the Notice Packet;
- (e) Preliminarily approving the Settlement, subject only to the objections of Class Members as to the Class Settlement and final review by the Court;
- (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the proposed Class Members; and,
- (g) Appointing ILYM Group Inc. as the Settlement Administrator, and order the Settlement Administrator to issue Notices as outlined above.

39. Defendant and their counsel agree to cooperate to obtain approval of the Settlement, pursuant to the terms set forth herein. If the Parties disagree on any aspect of the proposed Motion for Preliminary or Final Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary or Final Approval or conditions Preliminary or Final Approval on any change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

40. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Settlement Agreement, Class Counsel will provide to Defendant's Counsel for review and approval and then submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Service Payment to the Class Representative;
- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (e) Adjudging Plaintiff and Class Counsel may adequately represent the Settlement

Class for the purpose of entering into and implementing the Agreement;

- (f) Entering a final judgment in the action as to all PAGA and Class Claims and related issues;
- (g) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do not apply to the Released PAGA Claims, and further affirms that the State's claims for civil penalties pursuant to PAGA are also extinguished;
- (h) Directing the posting of the settlement documents provided in Paragraph 30 and final judgment on a website maintained by the Settlement Administrator for a period of not less than 180 calendar days after entry of final judgment.

Any revised final judgments will also be provided to Defendant's Counsel for review and approval before they are submitted to the Court.

NULLIFICATION AND TERMINATION

41. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs or granting of Service Payment or settlement money distribution terms; (c) the Court should for any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or rendered void; or (e) the Settlement does not become final for any other reason.

42. If 7% or more of the Class Members opt out of this Settlement, then Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide Defendant's Counsel with the information necessary to effectuate this provision on a regular basis, but no less frequently than bi-weekly basis. To terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-mail, or mail, of its election to withdraw not later than ten (10) days after the Administrator sends the final Exclusion List to Defense

Counsel; late elections will have no effect but not later than sixteen (16) court days before the date of the Final Approval hearing. If this option is exercised by Defendant, Defendant shall be solely responsible for the costs incurred by the Settlement Administrator for the settlement administration incurred to that point.

43. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or proceedings shall have any force or effect and no party shall be bound by any of its terms, and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

PARTIES' AUTHORITY

44. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions thereof.

MUTUAL FULL COOPERATION

45. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement including, but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval of this Settlement.

NO PRIOR ASSIGNMENTS

46. The Parties and their respective 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 rights herein released and discharged except as set forth herein.

NO ADMISSION OF LIABILITY

47. Nothing contained herein, nor the consummation of this Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.

Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant has entered into this Settlement solely with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

ENFORCEMENT ACTIONS

48. The Parties agree that following entry of the Final Approval Order and Judgment, this Agreement shall be enforceable by the Court and the Court shall retain exclusive and continuing jurisdiction of the Action over all parties and the Class Members to interpret and enforce the terms, conditions, and obligations of the Agreement pursuant to California Code of Civil Procedure section 664.6. In the event that one or more of the Parties to this Settlement institutes any legal action or other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees incurred in connection with any enforcement actions.

NOTICES

49. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

Class Counsel:

Lilit Tunyan
ltunyan@tunyanlaw.com
Artur Tunyan
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N. Brand Blvd., Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

Counsel for Defendant:

John T. Egley
jegley@calljensen.com
Madeleine K. Lee
mlee@calljensen.com
CALL & JENSEN
A Professional Corporation
610 Newport Center Drive, Suite 700
Newport Beach, CA 92660
Tel: (949) 717-3000

CONSTRUCTION

50. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed

1 in favor of or against any party by reason of the extent to which any party or his, her or its counsel
2 participated in the drafting of this Settlement.

3 **CAPTIONS AND INTERPRETATIONS**

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

7 **MODIFICATION**

8 52. This Settlement may not be changed, altered, or modified, except in writing and signed by
9 the Parties hereto, and approved by the Court. This Settlement may not be discharged except by
10 performance in accordance with its terms or by a writing signed by the Parties hereto.

11 **INTEGRATION CLAUSE**

12 53. This Settlement contains the entire agreement between the Parties relating to the
13 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
14 understandings, representations, and statements, whether oral or written and whether by a party or such
15 party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

16 **WAIVER OF APPEALS**

17 54. The Parties agree to waive appeals and to stipulate to class certification for purposes of
18 implementing this Settlement only. If the Court does not grant final approval of this settlement, then the
19 Parties revert to their previous positions prior to the mediation, and Defendant will not stipulate to class
20 certification. Provided the Judgment is consistent with the terms and conditions of this Agreement, the
21 Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement
22 as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
23 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial,
24 extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose
25 such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform
26 under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment
27 becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
28

1 **BINDING ON ASSIGNS**

2 55. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and
3 their respective heirs, trustees, executors, administrators, successors and assigns.

4 **CLASS COUNSEL SIGNATORIES**

5 56. It is agreed that because the members of the Class are so numerous, it is impossible or
6 impractical to have each member of the Class execute this Settlement. The Notice will advise all Class
7 Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall
8 have the same force and effect as if this Settlement were executed by each member of the Class.

9 **COUNTERPARTS**

10 57. This Settlement may be executed in counterparts and by electronic or facsimile signatures,
11 and when each party has signed and delivered at least one such counterpart, each counterpart shall be
12 deemed an original, and, when taken together with other signed counterparts, shall constitute one
13 Settlement, which shall be binding upon and effective as to all Parties.

14 **CONFIDENTIALITY & PUBLIC COMMENT**

15 58. Other than information necessary to secure court approval of the Settlement, the Parties
16 agree to keep confidential all matters relative to this Settlement, including the terms of the Settlement and
17 the facts and circumstances leading up to it. If asked about the disputes between the Parties, the Parties
18 shall provide no statement other than “the matter has been resolved” or “the matter has settled.” The
19 Parties may, however, discuss the terms of this Settlement with their spouses, attorneys, financial advisors,
20 tax advisors, and accountants, or upon a valid court order, at which time the individual receiving
21 information about the terms of this Settlement shall be informed that the terms of this Settlement are
22 confidential, and the individual may not reveal or disclose to any third party the terms of the Settlement.
23 Neither Plaintiff nor Plaintiff’s Counsel shall issue a press release, hold a press conference, publish
24 information about the settlement on any website or social media, respond to any press inquiries, or
25 otherwise publicize the settlement or communicate its terms in public or in private, with the exception of
26 filing a motion for approval and providing information as necessary to secure court approval of the
27 Settlement. Nothing in this agreement prohibits Plaintiff’s Counsel from disclosing the Settlement to the
28 LWDA/State of California or to Class Members and PAGA Employees, and as shall be contractually

required to effectuate the terms of the Settlement. Additionally, for the limited purpose of allowing Plaintiff's Counsel to prove adequacy as PAGA and/or class counsel in other actions, Plaintiff's Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

FINAL JUDGMENT

59. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

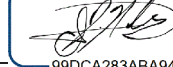
IT IS SO STIPULATED.

Plaintiff & Class Representative:

Dated: 4/9/2025 | 10:08 a. m. PDT

By: _____

DocuSigned by:



99DCA283ABA949F...

JAVIER HERNANDEZ

Plaintiff's Counsel:

Dated: 4/9/2025 | 10:09 AM PDT

TUNYAN LAW, APC

By: _____

DocuSigned by:



C1FEE94AA91E49A...

Lilit Tunyan
Artur Tunyan

Attorneys for Plaintiff JAVIER HERNANDEZ

Defendant:

Dated: April 10, 2025

PRECISE AEROSPACE MANUFACTURING, INC.

By: Joe Mannina

Print Name



Signature

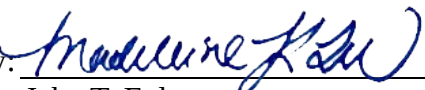
CFO

Title

Defendant's Counsel:

Dated: April 10, 2025

CALL & JENSEN A Professional Corporation

By: 

John T. Egley

Madeleine K. Lee

Attorneys for Defendant PRECISE AEROSPACE

MANUFACTURING, INC.

Exhibit “A”



535 N Brand Blvd. Suite 285
Glendale, CA 91203
Tel: (323) 410-5050
ltunyan@tunyanlaw.com

May 14, 2024

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
PAGAFilings@dir.ca.gov

VIA CERTIFIED MAIL

Return Receipt Requested

Precise Aerospace Manufacturing, Inc.
22951 E La Palma Avenue
Yorba Linda, CA 92887

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

Re: Hernandez v. Precise Aerospace Manufacturing, Inc.

To Whom It May Concern:

Please be advised that my office has been retained by Javier Hernandez (“Plaintiff”) to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer Precise Aerospace Manufacturing, Inc. (“Defendant”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which Plaintiff alleges Defendant engaged in with respect to Plaintiff and all of Defendant’s aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of himself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California as an hourly paid, non-exempt employee at any time within the applicable statutory period (hereafter, the “Aggrieved Employees”).

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Orange County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a machine operator from June 15, 2023 to April 3, 2024, primarily in Orange County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 days per week and over 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory time period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees for all hours worked including straight time wages and overtime wages. Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Additionally, Defendant required Plaintiff and the Aggrieved Employees to work after their scheduled hours but rounded time to scheduled hours to avoid paying overtime as confirmed by Defendant's records. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. Throughout the statutory period, Plaintiff and the Aggrieved

Employees received additional remuneration in the form of bonuses. However, Defendant has not compensated Plaintiff and the Aggrieved Employees at the proper overtime and sick pay rate. Defendant did not include the bonuses paid to Plaintiff and the Aggrieved Employees in the regular rate of pay for purposes of calculating overtime rate of pay and sick pay. Throughout the statutory period, Defendant also maintained a policy and practice of requiring Plaintiff and the Aggrieved Employees to perform work “off-the-clock”. Defendant regularly required Plaintiff and the Aggrieved Employees donning and doffing prior to clocking in to work and after clocking out without compensation. Plaintiff and the Aggrieved Employees were also required to wait in line to use the computer to clock in to work without compensation. In maintaining a practice of not paying all wages owed, Defendant failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked. In doing so, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods or recording of meal periods. Plaintiff and the Aggrieved Employees missed or took late or short meal periods since their nature of the work did not allow them to interrupt their work and take meal periods on time. Additionally, meal periods were cut short by the walking distance to the meal break area and were untimely due to the rounding of time implemented by Defendant. Plaintiff and the Aggrieved Employees were not authorized or taken second meal periods when they worked shifts greater than 10 hours.

Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant's written policy is deficient as it is non-compliant with the language required under California law. Plaintiff and the Aggrieved Employees missed or took late or short rest periods since the nature of their work did not allow them to interrupt their work and take rest periods. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement including but not limited to purchasing tools and materials necessary to

perform their work including but not limited to flashlights, markers, scissors, band aids, hats. Plaintiff and the Aggrieved Employees used their personal cell phones to communicate regarding their schedules without reimbursement of reasonable portion of their cell phone bills. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to terminated Plaintiff and the Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time including straight time and overtime wages, missed meal periods, and missed rest periods.

Defendant's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units

earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. Lab. Code § 226(e)(2)(B)(iii).

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” Lab. Code § 226(e)(1).

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to list the correct legal entity of employer, list gross wages earned, the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant’s failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendants also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the

16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. Lab. Code § 204(a). The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period. Lab. Code § 204(d).

Throughout the statute of limitations period applicable to this cause of action, employees were also entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owe employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Take All Feasible Means to Reduce Excessive Heat in Workplace

In accordance with the Section 15 (a) of the applicable wage order issued by the Industrial Welfare Commission (“IWC”), The temperature maintained in each work area shall provide reasonable comfort consistent with industry-wide standards for the nature of the process and the work performed. Further Section 15 (b) of IWC states that if excessive heat or humidity is created by the work process, the employer shall take all feasible means to reduce such excessive heat or humidity to a degree providing reasonable comfort.

However, Defendant has not taken feasible means to reduce such excessive heat. Defendant did not have proper air conditioning and air ventilation, and temperature during summer times in the jobsite became intolerable. As a result, Plaintiff and Aggrieved Employees suffered injuries at their workplace due to the excessive heat.

Labor Code § 1199 (c) provides that employers, persons, officers, agents, or other employees are guilty of a misdemeanor and subject to a fine of at least \$100 for violating, refusing or neglecting to comply with any provision of the particular Labor Code chapter or any order or ruling of the Commission.

Section 20 of IWC provides that in addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty of initial violation - \$50.00 for each underpaid employee for each pay period during which the employee was underpaid in addition to the amount which is sufficient to recover unpaid wages, and subsequent

violations — \$100.00 for each underpaid employee for each pay period during which the employee was underpaid in addition to an amount which is sufficient to recover unpaid wages.

Failure to Provide Safe and Healthful Work Environment

Labor Code § 6400 provides that every employer shall furnish employment and a place of employment that is safe and healthful for the employees therein.

Labor Code § 6401 provides that every employer shall furnish and use safety devices and safeguards, and shall adopt and use practices, means, methods, operations, and processes which are reasonably adequate to render such employment and place of employment safe and healthful. Every employer shall do every other thing reasonably necessary to protect the life, safety, and health of employees.

Labor Code § 6402 provides that no employer shall require or permit any employee to go or be in any employment or place of employment which is not safe and healthful.

Labor Code § 6403 provides no employer shall fail or neglect to do any of the following:

- (a) To provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe.
- (b) To adopt and use methods and processes reasonably adequate to render the employment and place of employment safe.
- (c) To do every other thing reasonably necessary to protect the life, safety, and health of employees.

Labor Code § 6404 provides that no employer shall occupy or maintain any place of employment that is not safe and healthful.

Plaintiff and the Aggrieved Employees complained about the hazardous dust created from materials used for work and requested to open the doors and windows. Defendant did not allow Plaintiff and the Aggrieved Employees to open the doors and windows at jobsite exposing Plaintiff and the Aggrieved Employees to unsafe and unhealthy working conditions.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;

3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 204 by failing to pay all earned wages two times per month;
9. IWC applicable order for failure to take all feasible means to reduce excessive heat in the workplace;
10. Labor Code § 640, 6401, 6402, 6403, 6404 for failure to provide safe and healthful work environment.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 558, 1174.5, 1197.1, 2802, 2699(f)(2), 6427, 6428, 6429.

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address and address of the agent for service as indicated on the first page.

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Plaintiff becomes aware of additional compensation owed or losses incurred by Plaintiff or by any other aggrieved employee of Defendant or any additional facts, Plaintiff expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,



Lilit Tunyan, Esq.
TUNYAN LAW, APC

Exhibit “B”

NOTICE OF PROPOSED CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

Hernandez v. Precise Aerospace Manufacturing, Inc.
Orange County Superior Court, Case No. 30-2024-01400056-CU-OE-CXC

A Court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE A NON-EXEMPT EMPLOYEE OF PRECISE AEROSPACE MANUFACTURING, INC. (“DEFENDANT”) WHO WORKED IN CALIFORNIA AT ANY TIME BETWEEN MAY 15, 2020 and [REDACTED] (THE “CLASS PERIOD”), THIS PROPOSED CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Purpose of this Notice

A proposed settlement (the “Settlement”) has been reached in a proposed class and PAGA action lawsuit brought by Plaintiff Javier Hernandez (“Plaintiff”) against Defendant, entitled *Hernandez v. Precise Aerospace Manufacturing, Inc.*, Orange County Superior Court, Case No. 30-2024-01400056-CU-OE-CXC (the “Action”). The purpose of this Notice of Proposed Class and Private Attorneys General Act of 2004 (“PAGA”) Representative Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement.

You are receiving this notice because Defendant’s records indicate that you worked for Defendant as a non-exempt employee in California for some time between May 15, 2020 and [REDACTED] (“Class Period”). This means you are a potential Class Member, and you have a right to know about the proposed Settlement.

In addition, you are also a PAGA Employee if you are currently or were formerly employed as a non-exempt employee of Defendant who worked for Defendant within California at any time during the period from May 15, 2023 to [REDACTED] (“PAGA Period”).

This Notice advises you of your options under this Settlement, which include how you can participate in this Settlement and receive your share of the Settlement proceeds, how you can exclude yourself from the class Settlement, or how you can object to the class Settlement.

What is the case about?

On May 15, 2024, Plaintiff filed a putative class action. On July 22, 2024, Plaintiff filed a First Amended Complaint alleging the following claims against Defendant: (1) failed to pay all wages; (2) failed to provide meal periods; (3) failed to authorize and permit rest periods; (4) failed to timely pay all wages at termination; (5) failed to furnish accurate itemized wage statements; (6) failure to indemnify necessary business expenses; (7) violated California’s Unfair Competition Law, California Business and Professions Code § 17200 *et seq.*; and (8) violated provisions of the Labor Code giving rise to civil penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, *et seq.*] (“PAGA”).

PAGA allows employees to file a representative action on behalf of themselves, other current and former employees, and the State of California to seek recovery of civil penalties for alleged Labor Code violations.

The Action seeks unpaid wages for a class of all current and former non-exempt employees of Defendant who worked in California at any time during the Class Period (the “Class” or “Class Members”). The Action also seeks penalties under PAGA for all current and former non-exempt employees of Defendant who worked in California at any time during the PAGA Period (“PAGA Employees”).

Defendant denies each and every allegation in the Action, denies any liability or wrongdoing of any kind, and believes that it treated, and continues to treat its employees fairly and in full compliance with the law. Defendant denies all claims and allegations in the Action, Defendant denies that Defendant owes any penalties to Plaintiff, Class Members, PAGA Employees, and/or the State of California. Defendant asserts that Defendant has fully complied with all applicable wage and hour laws, California Labor Code sections, and other provisions of law noted below. The Court has not made a determination about Plaintiff’s allegations. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claims.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING – GET MONEY	If you do nothing, you will be considered a “Settlement Class Member” in the Settlement and will receive your individual settlement share under the Settlement if the Court finally approves the Settlement. You will also give up rights to assert the Released Claims against Defendant as explained more fully below.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT. DEADLINE TO EXCLUDE YOURSELF: <<RESPONSE DEADLINE>>	You have the option to exclude yourself from the Class Settlement. If you choose to do so, you must mail to the Administrator, in writing, a completed Request for Exclusion Form. If you exclude yourself, you will NOT receive any payment under the Settlement (other than based on the PAGA Claim, if applicable). Request for Exclusion Forms must be submitted by << RESPONSE DEADLINE >>.
OBJECT TO THE SETTLEMENT. DEADLINE TO SUBMIT <i>WRITTEN</i> OBJECTIONS: <<RESPONSE DEADLINE>>	To object to the Class Settlement, you must either mail a written explanation of why you do not agree with the Settlement to the Settlement Administrator by completing and submitting the Objection Form, appear at the Final Approval Hearing, or hire an attorney at your expense to object for you. This option is available only if you do <u>not</u> exclude yourself from the Settlement. Do <u>not</u> submit a Request for Exclusion Form if you wish to object. <i>Written</i> objections must be submitted by << RESPONSE DEADLINE >>.

What are the Settlement terms?

Subject to final Court approval, Defendant will pay a maximum total payment under the Settlement of \$225,000.00 (the “Gross Settlement Amount”) for: (a) individual Settlement Class Payments to Settlement Class Members; (b) the Service Payment to Plaintiff (up to \$7,500.00); (c) attorneys’ fees (not to exceed 33 and 1/3% of the Gross Settlement Amount, \$75,000.00) and litigation costs to Class Counsel (not to exceed \$20,000) (“Class Counsel’s Fees and Costs”); (d) the amount of \$20,000.00 allocated toward civil penalties under the PAGA (the “PAGA Allocation”), of which the LWDA will be paid 75% (i.e. \$15,000.00 (“PAGA Penalty Payment”) and the remaining 25% (i.e. \$5,000.00) will be distributed to PAGA Employees (the “PAGA Settlement Payments”); and (e) payment to the Settlement Administrator for settlement administration services (estimated to be no more than \$5,550) (“Administrative Expenses”).

The “Net Settlement Amount” will be calculated by deducting from the Gross Settlement Amount the Class Counsel’s Fees and Costs, the Service Payment to Plaintiff, the PAGA Penalty Payment, and the Administrative Expenses. Settlement Class Payments and PAGA Settlement Payments (defined below) will be paid from the Net Settlement Amount.

Class Members who do not timely and properly request to be excluded from the Settlement (the “Settlement Class Members”) will receive a pro-rata share of the Net Settlement Amount, less the PAGA Settlement Payments totaling \$5,000.00, based upon the total number of workweeks worked by the Settlement Class Member during the Class Period (the “Settlement Class Payment”). The portion of the Net Settlement Amount paid to a Settlement Class Member = Net Settlement Amount (minus \$5,000.00 set aside for all PAGA Settlement Payment) × (the work weeks worked by a Settlement Class Member ÷ the work weeks worked by all Settlement Class Members).

PAGA Employees will receive a pro-rata share of the \$5,000.00 from the PAGA Settlement allocated to PAGA Employees (the “PAGA Settlement Payment”) based upon the total number of pay periods worked by each PAGA Employee during the PAGA Period, regardless of whether they request exclusion from the Settlement. The portion of the PAGA Settlement Payment paid to a PAGA Employee = \$5,000.000 × the pay periods worked by a PAGA

Employee (during the PAGA Period) ÷ the pay periods worked by all PAGA Employees (during the PAGA Period).

The total payment to an individual, including their Settlement Class Payment and PAGA Settlement Payment, is their "Individual Settlement Payment". Your estimated Individual Settlement Payment is <<**Estimated Payment**>>, which includes your payment from the Class settlement in the estimated amount of <<**Estimated Individual Settlement Class Payment**>> and your payment from the PAGA settlement in the estimated amount of <<**Estimated Individual PAGA Settlement Payment**>>. This is just an estimate. Your final share will be determined by the Settlement Administrator.

The above estimates are based on Defendant's records showing you worked [REDACTED] Workweeks during the Class Period and worked [REDACTED] Pay Periods during the PAGA Period. You may seek to dispute the number of your workweeks. Such challenges must: (i) be in writing; (ii) state your full name; (iii) include a statement that you are seeking to challenge your estimated Individual Settlement Payment set forth in this Class Notice; (iv) state the number of workweeks you believe you have worked during the Class Period; and (v) be mailed to the Settlement Administrator with a postmark date on or before <<**RESPONSE DEADLINE**>> (the "Response Deadline") at:

[REDACTED]

You must produce documentary evidence supporting your contention. The Settlement Administrator will evaluate the evidence submitted and make a decision as to which figures should be applied. The parties shall file with the Court all Workweeks Disputes submitted by Class Members together with the evidence submitted by Class Members, and the decision made based on that evidence. Although the Settlement Administrator may make the initial decision regarding the Workweeks Disputes, the Court may review any decision made by the Settlement Administrator regarding Workweeks Disputes. If the Class Member, who disputed Covered Workweeks, does not agree with the decision made by the Settlement Administrator, the court may review any decision made by the Settlement Administrator regarding Covered Workweeks' disputes and will make a final decision. If the Class Member, who disputed Covered Workweeks, does not challenge the Settlement Administrator's decision, the Settlement Administrator's decision becomes final.

For tax reporting purposes, the payments to Class Members will be allocated 20% wages and 80% penalties and interest. All PAGA Settlement Payments will be allocated as 100% penalties. The wage portion of the Individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable employee-side payroll taxes from the wage portion of the Individual Settlement Payments. The portion of the Individual Settlement Payments allocated as civil penalties, and interest shall be classified as other miscellaneous income and reported on IRS Form 1099-MISC if required by governing tax laws. Any taxes owed on that other miscellaneous income will be the responsibility of Class Members receiving those payments. The employer's share of any payroll taxes will be separately paid by Defendant.

All checks for Individual Settlement Payments paid to Class Members will remain valid and negotiable for one hundred eighty (180) days from the date of the checks' issuance and shall thereafter automatically be void if not claimed or negotiated by a Class Member within that time. Any Individual Settlement Payment that is not claimed or negotiated by a Class Member within one hundred eighty (180) days of issuance shall be transmitted to the California State Controller's Office to be held as unclaimed property in the name of each check recipient who is the payee of the check. Even if the Individual Settlement Payment is not cashed, claimed or negotiated by the Class Member within the one hundred eighty (180) days from the date of the checks' issuance, the Settlement Class Member shall remain bound by the Released Class Claims, unless the Class Member submitted a timely and valid Request for Exclusion Form.

The "Effective Date" of the Settlement will be the date by when both of the following have occurred: (a) the Court enters a judgment on its order granting final approval of this settlement; and (b) the judgment is final. The judgment is final as of the latest of the following occurrences: (a) if no participating Class Member objects to the Settlement, the day the Court enters judgment; (b) if one or more participating Class Members objects to this settlement, the day after the deadline for filing a notice of appeal from the judgment; or if a timely appeal from the judgment is filed, the day after the appellate court affirms the judgment and issues a remittitur. Defendant will fund the Gross Settlement Amount within twenty (20) days after the Effective Date. The Settlement Administrator shall mail checks no later than fourteen (14) calendar days of receipt of the Gross Settlement Amount from Defendant.

PLEASE BE PATIENT AND UPDATE THE SETTLEMENT ADMINISTRATOR WITH YOUR NEW ADDRESS IF YOU MOVE AFTER RECEIVING THIS NOTICE OR YOU RECEIVED THIS NOTICE AS FORWARDED MAIL.

None of the Parties or their attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member. You are responsible for tax payments, if any, that result from Settlement Class Payments and PAGA Settlement Payments. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

What claims are being released by the proposed Settlement?

Released Class Claims. Those Class Members who do not submit a timely and valid Request for Exclusion Form to the Settlement Administrator (i.e. Settlement Class Members), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, upon full payment of Gross Settlement Amount, shall fully and finally release and discharge Defendant and each of Defendant's respective past, present and future heirs, executors, administrators, parents, subsidiaries and affiliates, successors and assigns; and the past, present and future shareholders, managers, officers, partners, members, agents, contractors, employees, attorneys, insurers, predecessors, acquirors, successors and assigns of any of the foregoing; and any other individual or entity that could be jointly liable with Defendant for the claims asserted in the Complaint in the Action ("Released Parties") from the Released Class Claims.

Released Class Claims are defined as all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Complaint in the Action and the PAGA Notices submitted by Plaintiff predicated on any of the violations of the California Labor Code, Business and Professions Code, and the applicable IWC Wage Order as alleged in the Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, interest, attorneys' fees, costs, or other amounts, to the extent permissible, claimed on account of the allegations or the primary rights asserted in the Complaint for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226(a) 226.3, 226.7, 510, 512, 558, 558.1, 6400, 6401, 6402, 6403, 6404, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197, 1198, 1199, 2802, 6427, 6428, 6429 ("Released Class Claims"). Class Members do not release any claims that cannot be released by law including, without limitation, claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Released PAGA Claims. In addition, upon full payment of Gross Settlement Amount, all PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Complaint in the Action and the PAGA Notice submitted by Plaintiff predicated on any of the violations of the California Labor Code, Business and Professions Code, and the applicable IWC Wage Order as alleged in the Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, interest, attorneys' fees, costs or other amounts, to the extent permissible, claimed on account of the allegations or the primary rights asserted in the Complaint for alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226(a) 226.3, 226.7, 510, 512, 558, 558.1, 6400, 6401, 6402, 6403, 6404, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197, 1198, 1199, 2802, 6427, 6428, 6429, to the extent permissible ("Released PAGA Claims").

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an Individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

OPTION A. Remain in the Class. If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment, **you do not need to take any action.** By remaining in the Class and receiving settlement monies to resolve your class claims, you consent to the release of the Class Released Claims as described above.

If you are a PAGA Employee, you will automatically be included and issued your PAGA Settlement Payment. This means you will release the PAGA Released Claims.

Any amount paid to Settlement Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant, unless otherwise required by law.

Objecting to the Settlement: If you are a Class Member, and you do not request exclusion from the Settlement, you may object to the Settlement before final approval of the Settlement by the Court by submitting a written objection or presenting your objection at the Final Approval Hearing.

To assert an objection to the Settlement, a Settlement Class Member must submit an Objection Form to the Settlement Administrator by first class U.S. mail at the address specified on the Notice in the Objection Form not later than _____. If you choose not to submit a written objection using the Objection Form, the written objection must include: (1) your full name, address, and last four digits of your Social Security number; (2) your signature; (3) the case and number (*Hernandez v. Precise Aerospace Manufacturing, Inc.*, Orange County Superior Court, Case No. 30-2024-01400056-CU-OE-CXC); ; and (4) be postmarked on or before <<**RESPONSE DEADLINE**>> and submitted to the Settlement Administrator at the address listed above. Any Class Member who fails to timely submit their written objections in the manner specified above may still appear and object at the Final Approval Hearing. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Released Class and PAGA Claims as set forth above, unless the Settlement is not finally approved by the Court.**

Regardless of the form, an objection alone will not satisfy the requirement that a Class Member must formally intervene and become a party of record in the action to appeal a Judgment entered following an Order finally approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260 (2018).

OPTION B. Request to Be Excluded from the Class and Receive No Money from the Class Action Portion of the Settlement (PAGA Employees Still Will Receive Their Share of the PAGA Employee Payment). You may not seek exclusion from the PAGA portion of this Settlement. However, if you do not want to be part of the Class Settlement, you must complete and return the included Request for Exclusion Form to the Settlement Administrator. In order to be valid, your Request for Exclusion form must be signed, dated, and include the last four digits of your social security number (to confirm your identity and make certain that only persons requesting exclusion are removed from the settlement).

The Request for Exclusion Form (to remove you from the Class Settlement) must be postmarked on or before <<**RESPONSE DEADLINE**>>. If you do not submit a Request for Exclusion form on time (as evidenced by the postmark), your request to be excluded from the Settlement will be rejected, you will be deemed a Settlement Class Member, and you will be bound by the release of Released Claims as described above and all other terms of the Settlement. If you submit a Request for Exclusion Form by the deadline to request exclusion, you will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims), and will not have any right to object to, appeal, or comment on the Class Settlement. PAGA Employees cannot opt out or exclude themselves from the PAGA Settlement Payment and will still be issued a PAGA Settlement Payment and be bound by the Released PAGA Claims, irrespective of whether they submit a Request for Exclusion Form and irrespective of whether they cash their Individual Settlement Payment.

IMPORTANT: DO NOT SUBMIT A REQUEST FOR EXCLUSION FORM IF YOU WISH TO BE INCLUDED IN THE CLASS SETTLEMENT AND RECEIVE YOUR SHARE OF THE MONEY AVAILABLE TO YOU AS PART OF THE SETTLEMENT.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing on <<**FINAL APPROVAL HEARING DATE & TIME**>>, in Department CX105 of the Orange County Superior Court, Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. As described above, if you wish to attend the Final Approval Hearing remotely, you can do it through the court's online check-in process available through the court's website at <https://www.occourts.org/media-relations/civil.html>. If you wish to attend the Final Approval Hearing in person, you can attend it at Orange County Superior Court, 751 W. Santa Ana Boulevard, Santa Ana, California

92701. The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering a Judgment, the First Amended Complaint, the notice letter to the LWDA, the Settlement Agreement, and this Notice will be posted on a website by the Settlement Administrator for a period of at least 180 days following the entry of that Order in the Court record. That website is: <<[website](#)>>.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Lilit Tunyan

ltunyan@tunyanlaw.com

Artur Tunyan

atunyan@tunyanlaw.com

TUNYAN LAW, APC

535 N. Brand Blvd., Suite 285

Glendale, California 91203

Telephone: (323) 410-5050

Defendant's Counsel

John T. Egley

jegley@calljensen.com

Madeleine K. Lee

mlee@calljensen.com

CALL & JENSEN

A Professional Corporation

610 Newport Center Drive, Suite 700

Newport Beach, CA 92660

Tel: (949) 717-3000

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are in the Joint Stipulation of Class and PAGA Representative Action Settlement attached to the Declaration of Lilit Tunyan in Support of Plaintiff's Motion for Preliminary Approval. The Joint Stipulation of Class and PAGA Representative Action Settlement and all other records relating to the Action are available for inspection and/or copying at the Civil Records Office of the Orange County Superior Court. You may also view documents filed in this case on the Court's website at <https://ocjustice.occourts.org/civilwebShoppingNS/Search.do#searchAnchor>. You may need the case number to access and view case documents (30-2024-01400056-CU-OE-CXC). NOTE: If you choose to access documents online, the Court will charge you a fee for access.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT. If you have any questions, you may call or write to [Settlement Administrator] (the "Settlement Administrator") using the contact information at the top of this correspondence.

Exhibit “C”

REQUEST FOR EXCLUSION FORM

**Superior Court of California for the County of Orange
Hernandez v. Precise Aerospace Manufacturing, Inc.
Case No. 30-2024-01400056-CU-OE-CXC**

If you want to receive a Class Settlement Payment, you should not fill out this form. You are not required to do anything at this time. This form is to be used only if you want to exclude yourself from the Settlement.

If you decide to exclude yourself from the Settlement: (1) you will not receive any payment under the Settlement (except as to the PAGA Claim, if applicable); (2) you will not be able to object to the Settlement; and (3) you will not be bound by the class settlement or the class release if it is ultimately approved by the Court.

To be excluded from the Settlement, you must complete this Request for Exclusion Form and mail it to the Settlement Administrator at the address listed below, postmarked no later than **[Response Deadline--60 days following the date of mailing].**

[INSERT NAME OF SETTLEMENT
ADMINISTRATOR]
[INSERT INFO]

Request for Exclusion

I hereby certify that I am or was employed by Defendants as a non-exempt, hourly employee in California for some period of time between May 15, 2020 and -----.

I have received the Notice of Class Action Settlement ("Notice") in the Action, and I request to be excluded from the Settlement. I understand that by submitting this Request for Exclusion Form, I will not be bound by the class settlement, including the Released Class Claims, as described in the Notice and in the Settlement Agreement on file with the Court, and I will not receive a payment from the class settlement. I understand that I cannot exclude myself from the PAGA Settlement Payment and that I will still receive a pro-rata share of the PAGA Settlement Amount and will be bound by the Released PAGA Claims regardless of whether I exclude myself from the Class Settlement Payment.

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: (____) _____

Last four digits of your SSN: _____

Signature of Class Member (or Legal Representative): _____

Date: _____

Exhibit “D”

Superior Court of California for the County of Orange
Hernandez v. Precise Aerospace Manufacturing, Inc.
Case No. 30-2024-01400056-CU-OE-CXC

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: (____ ____ ____) ____ ____ ____ ____ ____ ____

Last four digits of your SSN: _____

Signature of Class Member (or Legal Representative): _____

Date: _____

Exhibit “2”

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On the date indicated below, I served the documents described as: **1. PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF; 2. [PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT; 3. DECLARATION OF LILIT TUNYAN IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT; 4. DECLARATION OF PLAINTIFF JAVIER HERNANDEZ IN SUPPORT OF PLAINTIFF'S MOTION FOR APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT; 5. DECLARATION OF LISA MULLINS ON BEHALF OF ILYM GROUP, INC. (PROPOSED SETTLEMENT ADMINISTRATOR); 6. DECLARATION OF MADELEINE K. LEE IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT; 7. JOINT STIPULATION OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT** on the interested parties in this action by sending a true copy thereof to interested parties as follows and as stated on the attached service list:

[✓] **BY ONLINE SUBMISSION:** I hereby certify that these documents were served from Glendale, California, by online submission to Labor & Workforce Development Agency portal using the link <https://dir.tfaforms.net/315>.

Executed on April 22, 2025 at Glendale, California.

Signature

PROOF OF SERVICE

STATE OF CALIFORNIA)

) ss

COUNTY OF LOS ANGELES)

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 535 N. Brand Blvd., Suite 285, Glendale, California 91203. On April 22, 2025, I served the foregoing document described as:

On the date indicated below, I served the document described as: **DECLARATION OF LILIT TUNYAN IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT** on the interested parties in this action by sending a true copy thereof to interested parties as follows and as stated on the attached service list:

John T. Egley

jegley@calljensen.com

Madeleine K. Lee

mlee@calljensen.com

Connie Valles

cvalles@calljensen.com

Catherine Miller

cmiller@calljensen.com

Julie Sandoval

jsandoval@calljensen.com

Ellen Cohen

ecohen@calljensen.com

CALL & JENSEN

A Professional Corporation

610 Newport Center Drive, Suite 700

Newport Beach, CA 92660

Tel: (949) 717-3000

Attorneys for Defendant PRECISE

AEROSPACE MANUFACTURING, INC.

[✓] **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

[✓] **BY ELECTRONIC SERVICE:** Based on a court order, Rule of Court, or an agreement of the parties to accept electronic service, I caused the documents to be sent to the persons at the electronic service addresses listed above via electronic mail. I did not receive an error message.

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

Executed on April 22, 2025, at Los Angeles, California.

Lilit Tunyan
Name


Signature