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14
 15 SUPERIOR COURT OF THE STATE OF CALIFORNIA
 16 COUNTY OF LOS ANGELES

17 SANDRA L. DELGADO, individually, and on
18 behalf of all others similarly situated,

19 Plaintiff,

20 vs.
21

22 MORTON GRINDING, INC., a California
23 corporation; and DOES 1 through 10, inclusive,

24 Defendants.
25

Case No.: 21STCV34037

CLASS ACTION AND REPRESENTATIVE
PAGA ACTION

Assigned for All Purposes to the Honorable Stuart
M. Rice, Department 1

**FIRST AMENDED CLASS ACTION AND
PAGA SETTLEMENT AGREEMENT AND
CLASS NOTICE**

1 **FIRST AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS**
2 **NOTICE**

3 This First Amended Class Action and PAGA Settlement Agreement (“Agreement”) is made by
4 and between plaintiff Sandra Delgado (“Plaintiff”) and defendant Morton Grinding, Inc. (“Defendant”).
5 The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

6 **1. DEFINITIONS.**

7 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant
8 captioned *Sandra L. Delgado v. Morton Grinding, Inc.*, initiated on September 15, 2021,
9 Case Number 21STCV34037.

10 1.2. “Administrator” means Apex Class Action Administration, the neutral entity the Parties
11 have agreed to appoint to administer the Settlement.

12 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
13 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
14 accordance with the Administrator’s “not to exceed” bid submitted to the Court in
15 connection with Preliminary Approval of the Settlement.

16 1.4. “Aggrieved Employee” means any person employed by Defendant in California and
17 classified as a non-exempt employee who worked for Defendant during the PAGA Period.

18 1.5. “Class” means all persons employed by Defendant in California and classified as non-
19 exempt employees who worked for Defendant during the Class Period.

20 1.6. “Class Counsel” means Kane Moon, Lilit Ter-Astvatsatryan, and Linh Tran of Moon Law
21 Group, PC.

22 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
23 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees
24 and expenses, respectively, incurred to prosecute the Action.

25 1.8. “Class Data” means Class Member identifying information in Defendant’s possession
26 including the Class Member’s name, last-known mailing address, Social Security number,
27 and number of Class Period Workweeks and PAGA Pay Periods.

28 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a

- 1 Participating Class Member or Non-Participating Class Member (including a Non-
2 Participating Class Member who qualifies as an Aggrieved Employee).
- 3 1.10. “Class Member Address Search” means the Administrator’s investigation and search for
4 current Class Member mailing addresses using all reasonably available sources, methods
5 and means including, but not limited to, the National Change of Address database, skip
6 traces, and direct contact by the Administrator with Class Members.
- 7 1.11. “Class Notice” means the “Notice of Proposed Class Action Settlement”, to be mailed to
8 Class Members in English with a Spanish translation in the form, without material
9 variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 10 1.12. “Class Period” means the period from September 15, 2017 to May 1, 2024.
- 11 1.13. “Class Representative” means Sandra L. Delgado, the named Plaintiff in the Action
12 seeking Court approval to serve as Class Representatives.
- 13 1.14. “Class Representative Service Payment” means the up to \$7,500.00 payment to the named
14 Class Representative for initiating the Action and providing services in support of the
15 Action.
- 16 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 17 1.16. “Defendant” means named Defendant Morton Grinding, Inc.
- 18 1.17. “Defense Counsel” means John A. Conkle and Amanda R. Washton of Conkle, Kremer &
19 Engel, PLC.
- 20 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the
21 Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b)
22 the Judgment is final. The Judgment is final as of the latest of the following occurrences:
23 (a) if no Participating Class Member objects to the Settlement, or if an objection is made
24 but withdrawn prior to the Final Approval Hearing, the day the Court enters Judgment; (b)
25 if one or more Participating Class Members objects to the Settlement, the day after the
26 deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the
27 Judgment is filed, the day after the appellate court affirms the Judgment and issues a
28 remittitur.

- 1 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.
- 2 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of
- 3 the Settlement.
- 4 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval
- 5 of the Settlement.
- 6 1.22. "Gross Settlement Amount" means Four Hundred Twenty-Five Thousand Dollars and
- 7 Zero Cents (\$425,000.00) which is the total amount Defendant agrees to pay under this
- 8 Settlement. In no event shall Defendant be obligated to pay more than the Gross
- 9 Settlement Amount except as provided in Paragraphs 4.3 and 8 below (employers' share
- 10 of payroll taxes and optional escalator provision). The Gross Settlement Amount will be
- 11 used to pay (i) Individual Class Payments, (ii) Individual PAGA Payments, (iii) the LWDA
- 12 PAGA Payment, (iv) Class Counsel Fees, (v) the Class Counsel Litigation Expenses, (vi)
- 13 Class Representative Service Payment, (vii) and the Administration Expense Payment.
- 14 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the
- 15 Net Settlement Amount calculated according to the number of Workweeks worked during
- 16 the Class Period.
- 17 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of
- 18 the PAGA Penalties calculated according to the number of Workweeks worked during the
- 19 PAGA Period.
- 20 1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 21 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency
- 22 entitled, under Labor Code § 2699(i).
- 23 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under
- 24 Labor Code § 2699(i).
- 25 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following
- 26 payments in the amounts approved by the Court: (i) Individual PAGA Payments, (ii) the
- 27 LWDA PAGA Payment, (iii) Class Representative Service Payments, (iv) Class Counsel
- 28 Fees Payment, (v) Class Counsel Litigation Expenses Payment, and (vi) the Administration

- 1 Expenses Payment. The remainder is to be paid to Participating Class Members as
2 Individual Class Payments.
- 3 1.29. “Non-Participating Class Member” means any Class Member who opts out of the
4 Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 5 1.30. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 6 1.31. “PAGA Notice” means Plaintiff’s September 13, 2021 letter to Defendant and the LWDA
7 providing notice pursuant to Labor Code § 2699.3(a).
- 8 1.32. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked
9 for Defendant for at least one day during the PAGA Period.
- 10 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
11 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and the
12 75% to LWDA (\$15,000.00) in settlement of PAGA claims.
- 13 1.34. “PAGA Period” means the period from September 13, 2020, to May 1, 2024.
- 14 1.35. “Participating Class Member” means a Class Member who does not submit a valid and
15 timely Request for Exclusion from the Settlement.
- 16 1.36. “Plaintiff” means Sandra L. Delgado, the named plaintiff in the Action.
- 17 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the
18 Settlement.
- 19 1.38. “Preliminary Approval Order” means the Order Granting Preliminary Approval and
20 Approval of PAGA Settlement.
- 21 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2
22 below.
- 23 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3
24 below.
- 25 1.41. “Released Parties” means: Defendant and any parent, subsidiary, affiliate, predecessor or
26 successor entity, and all agents, employees, contracting parties, joint employers, officers,
27 directors and attorneys thereof.
- 28 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be

1 excluded from the Class Settlement signed by the Class Member.

2 1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class
3 Members and shall be the last date on which Class Members may: (a) fax, email, or mail
4 Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection
5 to the Settlement. Class Members to whom Notice Packets are resent after having been
6 returned undeliverable to the Administrator shall have an additional 14 calendar days
7 beyond the Response Deadline has expired.

8 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the
9 Judgment.

10 1.45. "Workweek" means any week during which a Class Member worked for Defendant for at
11 least one day, during the Class Period.

12 **2. RECITALS.**

13 2.1. On September 15, 2021, Plaintiff commenced this Action by filing a Complaint alleging
14 causes of action against Defendant for 1) failure to pay minimum wages; 2) failure to pay
15 overtime compensation; 3) failure to provide meal periods; 4) failure to authorize and
16 permit rest breaks; 5) failure to timely pay final wages at termination; 6) failure to provide
17 accurate itemized wage statements; and 7) unfair business practices. On February 2, 2023,
18 Plaintiff filed a First Amended Complaint adding an eighth cause of action against
19 Defendant for PAGA civil penalties under California Labor Code § 2699 *et seq.*

20 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and
21 the LWDA by sending the PAGA Notice on September 13, 2021.

22 2.3. On July 18, 2022, the Parties participated in an all-day mediation presided over by
23 experienced employment mediator Michael D. Young, Esq., and while the mediation did not
24 immediately result in a settlement, the Parties continued resolution discussion with guidance from
25 mediator Michael D. Young, Esq. and were ultimately able to reach a resolution, the terms of which
26 are memorialized herein to settle the Action.

27 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, information sufficient
28 to meaningfully evaluate the claims at issue, including applicable policy documents and a

sample of time and pay records for the Class. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) (“*Dunk/Kullar*”).

2.5. The Court has not granted class certification.

2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraphs 4.3 and 8 below, Defendant promise to pay the total amount of Four Hundred Twenty-Five Thousand Dollars and Zero Cents (\$425,000.00). Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order and Judgement:

3.2.1. To Plaintiff: Class Representative Service Payment to the named Class Representative of not more than Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and Aggrieved Employee). Defendant will not oppose Plaintiff’s request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class

1 Representative Service Payment no later than 16 court days prior to the Final
2 Approval Hearing. If the Court approves a Class Representative Service Payment
3 less than the amount requested, the Administrator will retain the remainder in the
4 Net Settlement Amount. The Administrator will pay the Class Representative
5 Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and
6 liability for employee taxes owed on the Class Representative Service Payment.

7 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than thirty-three
8 and one third percent (33 1/3%) of the Gross Settlement Amount (i.e., One
9 Hundred Forty-one Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven
10 Cents (\$141,666.67) and a Class Counsel Litigation Expenses Payment of not more
11 than Sixteen Thousand Dollars and Zero Cents (\$16,000.00). Defendant will not
12 oppose requests for these payments provided that the payments do not exceed these
13 amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees
14 Payment and Class Litigation Expenses Payment no later than 16 court days prior
15 to the Final Approval Hearing. If the Court approves a Class Counsel Fees
16 Payment and/or a Class Counsel Litigation Expenses Payment less than the
17 amounts requested, the Administrator will allocate the remainder to the Net
18 Settlement Amount. Released Parties shall have no liability to Class Counsel or
19 any other Plaintiff's Counsel arising from any claim to any portion of any Class
20 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
21 Administrator will pay the Class Counsel Fees Payment and Class Counsel
22 Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
23 responsibility and liability for taxes owed on the Class Counsel Fees Payment and
24 the Class Counsel Litigation Expenses Payment and holds Defendant harmless,
25 and indemnifies Defendant, from any dispute or controversy regarding any division
26 or sharing of any of these Payments.

27 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed Ten
28 Thousand Dollars and Zero Cents (\$10,000.00) except for a showing of good cause

1 and as approved by the Court. To the extent the Administration Expenses are less
2 or the Court approves payment less than \$10,000.00, the Administrator will retain
3 the remainder in the Net Settlement Amount.

4 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by
5 (a) dividing the Net Settlement Amount by the total number of Workweeks worked
6 by all Participating Class Members during the Class Period and (b) multiplying the
7 result by each Participating Class Member's Workweeks.

8 3.2.4.1. Tax Allocation of Individual Class Payments. Twenty percent (20%) of
9 each Participating Class Member's Individual Class Payment will be
10 allocated to settlement of wage claims (the "Wage Portion"). The Wage
11 Portions are subject to tax withholding and will be reported on an IRS W-
12 2 Form. The remaining Eighty percent (80%) of each Participating Class
13 Member's Individual Class Payment will be allocated to settlement of
14 claims for interest and penalties with Forty percent (40%) being allocated
15 to interest and Forty percent (40%) being allocated to penalties (the "Non-
16 Wage Portion"). The Non-Wage Portions are not subject to wage
17 withholdings and will be reported on IRS 1099 Forms. Participating Class
18 Members assume full responsibility and liability for any employee taxes
19 owed on their Individual Class Payment.

20 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
21 Class Payments. Non-Participating Class Members will not receive any
22 Individual Class Payments. The Administrator will retain amounts equal
23 to their Individual Class Payments in the Net Settlement Amount for
24 distribution to Participating Class Members on a pro rata basis.

25 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
26 Twenty Thousand Dollars and Zero Cents (\$20,000.00) to be paid from the Gross
27 Settlement Amount, with 75% (i.e., Fifteen Thousand Dollars and Zero Cents
28 (\$15,000.00)) allocated to the LWDA PAGA Payment and 25% (i.e., Five

1 Thousand Dollars and Zero Cents (\$5,000.00)) allocated to the Individual PAGA
2 Payments.

3 3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a)
4 dividing the amount of the Aggrieved Employees' 25% share of PAGA
5 Penalties (i.e., \$5,000.00) by the total number of PAGA Period Pay Periods
6 worked by all Aggrieved Employees during the PAGA Period and (b)
7 multiplying the result by each Aggrieved Employee's PAGA Period Pay
8 Periods. Aggrieved Employees assume full responsibility and liability for
9 any taxes owed on their Individual PAGA Payment.

10 3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested,
11 the Administrator will allocate the remainder to the Net Settlement
12 Amount. The Administrator will report the Individual PAGA Payments on
13 IRS 1099 Forms.

14 **4. SETTLEMENT FUNDING AND PAYMENTS.**

15 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records
16 to date, Defendant estimates there are approximately 382 Class Members who collectively
17 worked a total of 50,000 Workweeks, and 244 Aggrieved Employees who worked a total
18 of approximately 15,500 PAGA Pay Periods.

19 4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of
20 the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator,
21 in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights,
22 the Administrator must maintain the Class Data in confidence, use the Class Data only for
23 purposes of this Settlement and for no other purpose, and restrict access to the Class Data
24 to Administrator employees who need access to the Class Data to effect and perform under
25 this Agreement. Administrator shall verify all such relevant information with the National
26 Change of Address database or the equivalent. Nothing in this confidentiality provision
27 shall be construed or work to preclude Class Counsel from performing their fiduciary
28 duties to the Class. Defendant has a continuing duty to immediately notify Class Counsel

1 if it discovers that the Class Data omitted class member identifying information and to
2 provide corrected or updated Class Data as soon as reasonably feasible. Without any
3 extension of the deadline by which Defendant must send the Class Data to the
4 Administrator, the Parties and their counsel will expeditiously use best efforts, in good
5 faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class
6 Data.

7 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the non-reversionary
8 Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's
9 share of payroll taxes, separate and apart from the Gross Settlement Amount, by
10 transmitting the funds to the Administrator no later than 30 days after the Effective Date.
11 If the Court does not grant Final Approval, this amount will be returned to Defendant.

12 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days of the
13 Administrator's receipt of funds, the Administrator will mail checks for all Individual Class
14 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the
15 Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel
16 Litigation Expenses Payment, and the Class Representative Service Payments.
17 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
18 Payment and the Class Representative Service Payments shall not precede disbursement
19 of Individual Class Payments and Individual PAGA Payments.

20 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
21 Individual PAGA Payments and send them to the Class Members via First Class
22 U.S. Mail, postage prepaid. The face of each check shall prominently state the
23 date (not less than 180 days after the date of mailing) when the check will be
24 voided. The Administrator will cancel all checks not cashed by the void date. The
25 Administrator will send checks for Individual Settlement Payments to all
26 Participating Class Members (including those for whom Class Notice was returned
27 undelivered). The Administrator will send checks for Individual PAGA Payments
28 to all Aggrieved Employees including Non-Participating Class Members who

1 qualify as Aggrieved Employees (including those for whom Class Notice was
2 returned undelivered). The Administrator may send Participating Class Members
3 a single check combining the Individual Class Payment and the Individual PAGA
4 Payment. Before mailing any checks, the Settlement Administrator must update
5 the recipients' mailing addresses using the National Change of Address Database.

6 4.4.2. The Administrator must conduct a Class Member Address Search for all other
7 Class Members whose checks are returned undelivered without USPS forwarding
8 address. Within seven (7) days of receiving a returned check the Administrator
9 must re-mail checks to the USPS forwarding address provided or to an address
10 ascertained through the Class Member Address Search. The Administrator need
11 not take further steps to deliver checks to Class Members whose re-mailed checks
12 are returned as undelivered. The Administrator shall promptly send a replacement
13 check to any Class Member whose original check was lost or misplaced, requested
14 by the Class Member prior to the void date.

15 4.4.3. For any Class Member whose Individual Class Payment check or Individual
16 PAGA Payment check is uncashed and cancelled after the void date, the
17 Administrator shall transmit the funds represented by such checks to Court
18 Appointed Special Advocates ("CASA") of Los Angeles, subject to Court
19 approval, a nonprofit organization in accordance with Code of Civil Procedure §
20 384(b) ("Cy Pres Recipient). The Parties, Class Counsel and Defense Counsel
21 represent that they have no interest or relationship, financial or otherwise, with the
22 intended Cy Pres Recipient.

23 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
24 not obligate Defendant to confer any additional benefits or make any additional
25 payments to Class Members (such as 401(k) contributions or bonuses) beyond
26 those specified in this Agreement.

27 **5. RELEASES OF CLAIMS.**

28 Effective on the date when Defendant fully fund the entire Gross Settlement Amount and the Court

1 enters an order granting Final Approval of this Settlement, Plaintiff, Class Members, and Class Counsel
2 will release claims against all Released Parties as follows:

3 5.1. Plaintiff's Release.

4 5.1.1. Scope of Plaintiff's Release. Plaintiff and her respective former and present
5 spouses, representatives, agents, attorneys, heirs, administrators, successors, and
6 assigns generally, release and discharge Released Parties from all claims,
7 transactions, or occurrences that occurred during the Class Period, including, but
8 not limited to: (a) all claims that were, or reasonably could have been, alleged,
9 based on the facts contained, in the Operative Complaint and (b) all PAGA claims
10 that were, or reasonably could have been, alleged based on facts contained in the
11 Operative Complaint, Plaintiff's PAGA Notice ("Plaintiff's Release.") Plaintiff's
12 Release does not extend to any claims or actions to enforce this Agreement, or to
13 any claims for vested benefits, unemployment benefits, disability benefits, social
14 security benefits, workers' compensation benefits that arose at any time, or based
15 on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may
16 discover facts or law different from, or in addition to, the facts or law that Plaintiff
17 now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release
18 shall be and remain effective in all respects, notwithstanding such different or
19 additional facts or Plaintiff's discovery of them.

20 5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of
21 Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions,
22 rights, and benefits, if any, of Section 1542 of the California Civil Code, which
23 reads:

24 **A general release does not extend to claims that the creditor or releasing party**
25 **does not know or suspect to exist in his or her favor at the time of executing**
26 **the release, and that if known by him or her would have materially affected**
27 **his or her settlement with the debtor or Released Party.**

28 5.2. Release by Participating Class Members: All Participating Class Members, on behalf of
themselves and their respective former and present representatives, agents, attorneys, heirs,

1 administrators, successors, and assigns, release Released Parties from (i) all claims that
2 were alleged, or reasonably could have been alleged, based on the facts stated in the
3 Operative Complaint during the Class Period, including, e.g., any and all claims arising
4 under California Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510,
5 512, 1174(d), 1194, 1194.2, 1197, 1198, and the applicable Industrial Welfare Commission
6 Wage Orders based on any alleged failure to pay minimum wage; failure to pay overtime
7 compensation; failure to pay paid time off wages; failure to provide meal periods; failure
8 to authorize and permit rest periods; failure to timely pay final wages; failure to timely
9 pay wages during employment; failure to provide accurate wage statements; failure to
10 keep adequate records; and unfair business practices arising under California Business
11 and Professions Code section 17200 *et seq.* Excluded from this portion of the release are
12 claims for PAGA penalties that were alleged, or reasonably could have been alleged, based
13 on the facts stated in the Operative Complaint and the Plaintiff's PAGA Notice during the
14 PAGA Period. Except as set forth in Section 5.3 of this Agreement, Participating Class
15 Members do not release any other claims, including claims for vested benefits, wrongful
16 termination, violation of the Fair Employment and Housing Act, unemployment insurance,
17 disability, social security, workers' compensation, or claims based on facts occurring
18 outside the Class Period.

19 **5.3. Release by Class Members Who Are Aggrieved Employees:** All Class Members who are
20 Aggrieved Employees are deemed to release, on behalf of themselves and their respective
21 former and present representatives, agents, attorneys, heirs, administrators, successors, and
22 assigns, the Released Parties from all claims for PAGA penalties that were alleged, or
23 reasonably could have been alleged, based on the facts stated in the Operative Complaint
24 and/or the Plaintiff's PAGA Notice during the PAGA Period, including any claim for
25 PAGA penalties based on alleged violations of California Labor Code sections 201, 202,
26 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 1174(d), 1194, 1194.2, 1197, 1198, and the
27 applicable Industrial Welfare Commission Wage Orders based on any alleged failure to
28 pay minimum wage; failure to pay overtime compensation; failure to pay paid time off

1 wages; failure to provide meal periods; failure to authorize and permit rest periods;
2 failure to timely pay final wages; failure to timely pay wages during employment; failure
3 to provide accurate wage statements; and/or failure to keep adequate records.

4 **6. MOTION FOR PRELIMINARY APPROVAL.**

5 The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for
6 Preliminary Approval”).

7 6.1. Plaintiff’s Responsibilities. Plaintiff will prepare all documents necessary for obtaining
8 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support of
9 the Motion for Preliminary Approval that includes an analysis of the Settlement under
10 *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code §
11 2699(f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of
12 PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from
13 Plaintiff confirming willingness and competency to serve as Class Representative; (v) a
14 signed declaration from Class Counsel firm attesting to its competency to represent the
15 Class Members; its timely transmission to the LWDA of all necessary PAGA documents
16 (initial notice of violations (Labor Code § 2699.3(a)), this Agreement (Labor Code §
17 2699(l)(2)); (vi) all facts relevant to any actual or potential conflict of interest with Class
18 Members, and/or the Administrator.

19 6.2. Responsibilities of Counsel. Class Counsel will be responsible for expeditiously finalizing
20 and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the
21 Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the
22 Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s
23 Preliminary Approval Order to the Administrator.

24 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
25 Preliminary Approval and/or the supporting declarations and documents, Class Counsel
26 and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
27 in person or by telephone, and in good faith, to resolve the disagreement. If the Court does
28 not grant Preliminary Approval or conditions Preliminary Approval on any material

1 change to this Agreement, Class Counsel and Defense Counsel will expeditiously work
2 together on behalf of the Parties by meeting in person or by telephone, and in good faith,
3 to modify the Agreement and otherwise satisfy the Court's concerns.

4 **7. SETTLEMENT ADMINISTRATION.**

5 7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action
6 Administration to serve as the Administrator and verified that, as a condition of
7 appointment, Apex Class Action Administration agrees to be bound by this Agreement and
8 to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment
9 of Administration Expenses. The Parties and their Counsel represent that they have no
10 interest or relationship, financial or otherwise, with the Administrator other than a
11 professional relationship arising out of prior experiences administering settlements.

12 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
13 Identification Number for purposes of calculating payroll tax withholdings and providing
14 reports to the state and federal tax authorities.

15 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
16 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
17 § 468B-1.

18 7.4. Notice to Class Members.

19 7.4.1. No later than three (3) business days after receipt of the Class Data, the
20 Administrator shall notify Class Counsel that the list has been received and state
21 the number of Class Members, Aggrieved Employees, Workweeks, and Pay
22 Periods in the Class Data.

23 7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen
24 (14) days after receiving the Class Data, the Administrator will send to all Class
25 Members identified in the Class Data, via first-class United States Postal Service
26 ("USPS") mail, the Class Notice with Spanish translation, substantially in the form
27 attached to this Agreement as Exhibit A. The first page of the Class Notice shall
28 prominently estimate the dollar amounts of any Individual Class Payment and

1 Individual PAGA Payment (if applicable) payable to the Class Member, and the
2 number of Workweeks and PAGA Pay Periods (if applicable) used to calculate
3 these amounts. Before mailing Class Notices, the Administrator shall update Class
4 Member addresses using the National Change of Address database.

5 7.4.3. Not later than three (3) business days after the Administrator's receipt of any Class
6 Notice returned by the USPS as undelivered, the Administrator shall re-mail the
7 Class Notice using any forwarding address provided by the USPS. If the USPS
8 does not provide a forwarding address, the Administrator shall conduct a Class
9 Member Address Search, and re-mail the Class Notice to the most current address
10 obtained. The Administrator has no obligation to make further attempts to locate
11 or send Class Notice to Class Members whose Class Notice is returned by the
12 USPS a second time.

13 7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks
14 and/or Pay Periods, and Requests for Exclusion will be extended an additional
15 fourteen (14) days beyond the sixty (60) days otherwise provided in the Class
16 Notice for all Class Members whose notice is re-mailed. The Administrator will
17 inform the Class Member of the extended deadline with the re-mailed Class Notice.

18 7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
19 discovers any persons who believe they should have been included in the Class
20 Data and should have received Class Notice, the Parties will expeditiously meet
21 and confer in person or by telephone, and in good faith in an effort to agree on
22 whether to include them as Class Members. If the Parties agree, such persons will
23 be Class Members entitled to the same rights as other Class Members, and the
24 Administrator will send, via email or overnight delivery, a Class Notice requiring
25 them to exercise options under this Agreement not later than fourteen (14) days
26 after receipt of Class Notice, or the deadline dates in the Class Notice, which ever
27 are later.

28 7.5. Requests for Exclusion (Opt-Outs).

1 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
2 must send the Administrator, by fax, email, or mail, a signed written Request for
3 Exclusion not later than sixty (60) days after the Administrator mails the Class
4 Notice (plus an additional fourteen (14) days for Class Members whose Class
5 Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or
6 his/her representative that reasonably communicates the Class Member's election
7 to be excluded from the Settlement and includes the Class Member's name, address
8 and email address or telephone number. To be valid, a Request for Exclusion must
9 be timely faxed, emailed, or postmarked by the Response Deadline.

10 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails
11 to contain all the information specified in the Class Notice. The Administrator shall
12 accept any Request for Exclusion as valid if the Administrator can reasonably
13 ascertain the identity of the person as a Class Member and the Class Member's
14 desire to be excluded. The Administrator's determination shall be final and not
15 appealable or otherwise susceptible to challenge. If the Administrator has reason
16 to question the authenticity of a Request for Exclusion, the Administrator may
17 demand additional proof of the Class Member's identity. The Administrator's
18 determination of authenticity shall be final and not appealable or otherwise
19 susceptible to challenge.

20 7.5.3. Every Class Member who does not submit a timely and valid Request for
21 Exclusion is deemed to be a Participating Class Member under this Agreement,
22 entitled to all benefits and bound by all terms and conditions of the Settlement,
23 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
24 of this Agreement, regardless whether the Participating Class Member actually
25 receives the Class Notice or objects to the Settlement.

26 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
27 Non-Participating Class Member and shall not receive an Individual Class
28 Payment or have the right to object to the class action components of the

1 Settlement. Because future PAGA claims are subject to claim preclusion upon
2 entry of the Judgment, Non-Participating Class Members who are Aggrieved
3 Employees are deemed to release the claims identified in Paragraph 5.3 of this
4 Agreement will still receive an Individual PAGA Payment, notwithstanding their
5 Request for Exclusion from the Class portion of the Settlement.

6 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60) days
7 after the Administrator mails the Class Notice (plus an additional fourteen (14) days for
8 Class Members whose Class Notice is re-mailed) to challenge the number of Class
9 Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class
10 Notice. The Class Member may challenge the allocation by communicating with the
11 Administrator in writing via fax, email or mail. The Administrator must request that the
12 challenging Class Member submit supporting documentation. In the absence of any
13 contrary documentation, the Administrator is entitled to presume that the Workweeks
14 contained in the Class Notice are correct so long as they are consistent with the Class Data.
15 The Administrator's determination of each Class Member's allocation of Workweeks
16 and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge.
17 The Administrator shall promptly provide copies of all challenges to calculation of
18 Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
19 Administrator's determination as to the challenges.

20 7.7. Objections to Settlement.

21 7.7.1. Only Participating Class Members (i.e., Class Members who do not submit valid
22 and timely Requests for Exclusion) may object to the class action components of
23 the Settlement and/or this Agreement, including contesting the fairness of the
24 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
25 Counsel Litigation Expenses Payment and/or Class Representative Service
26 Payment. Aggrieved Employees have no right to object to the PAGA portion of
27 the Settlement.

28 7.7.2. For any Participating Class Member to object, the Class Member may send written

1 objections to the Administrator, signed by the Class Member, or his or her
2 representative, by fax, email or mail, no later than sixty (60) days after the
3 Administrator's mailing of the Class Notice (plus an additional fourteen (14) days
4 for Class Members whose Class Notice was re-mailed). The Settlement
5 Administrator shall send all objections it receives to Defense Counsel and Class
6 Counsel within three (3) business days of receipt. Participating Class Members
7 may also appear in Court, in person or remotely, (or hire an attorney to appear in
8 Court on their behalf) to present verbal objections at the Final Approval Hearing.
9 The Court retains final authority with respect to the consideration and admissibility
10 of any Class Member objections.

11 7.7.3. Non-Participating Class Members (i.e., Class Members who submit valid and
12 timely Requests for Exclusion) have no right to object to any of the class action
13 components of the Settlement.

14 7.7.4. Aggrieved Employees shall have no right to object to the PAGA portion of the
15 Settlement and shall be bound by the Release of claims identified in Paragraph 5.3
16 of this Agreement.

17 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
18 performed or observed by the Administrator contained in this Agreement or otherwise.
19 Administrator shall maintain staffing sufficient to perform all duties delegated to the
20 Administrator by and through this Agreement. If the Administrator makes a material or
21 fraudulent misrepresentation to any party, conceals requested material information, or fails
22 to perform adequately on behalf of Defendant or the Class, the Parties may agree to remove
23 the Administrator. Disputes regarding the retention or dismissal of the Administrator shall
24 be referred to the Court for resolution.

25 7.8.1. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
26 promptly review on a rolling basis Requests for Exclusion to ascertain their
27 validity. Not later than 5 days after the expiration of the deadline for submitting
28 Requests for Exclusion, the Administrator shall email a list to Class Counsel and

1 Defense Counsel containing (a) the names and other identifying information of
2 Class Members who have timely submitted valid Requests for Exclusion
3 (“Exclusion List”); (b) the names and other identifying information of Class
4 Members who have submitted invalid Requests for Exclusion; (c) copies of all
5 Requests for Exclusion from Settlement submitted (whether valid or invalid).

6 7.8.2. Weekly Reports. The Administrator must, on a weekly basis, provide written
7 reports to Class Counsel and Defense Counsel that, among other things, tally the
8 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
9 Requests for Exclusion (whether valid or invalid) received, objections received,
10 challenges to Workweeks and/or Pay Periods received and/or resolved, and checks
11 mailed for Individual Class Payments and Individual PAGA Payments (“Weekly
12 Report”). The Weekly Reports must include the Administrator’s assessment of the
13 validity of Requests for Exclusion and attach copies of all Requests for Exclusion
14 and objections received.

15 7.8.3. Workweek and/or Pay Period Challenges. The Administrator has the authority to
16 address and make final decisions consistent with the terms of this Agreement on
17 all Class Member challenges over the calculation of Workweeks and/or Pay
18 Periods. The Administrator’s decision shall be final and not appealable or
19 otherwise susceptible to challenge.

20 7.8.4. Administrator’s Declaration. Not later than fourteen (14) days before the date by
21 which Plaintiff is required to file the Motion for Final Approval of the Settlement,
22 the Administrator will provide to Class Counsel and Defense Counsel, a signed
23 declaration suitable for filing in Court attesting to its due diligence and compliance
24 with all of its obligations under this Agreement, including, but not limited to, its
25 mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing
26 of Class Notices, attempts to locate Class Members, the total number of Requests
27 for Exclusion from Settlement it received (both valid or invalid), the number of
28 written objections and attach the Exclusion List. The Administrator will

1 supplement its declaration as needed or requested by the Parties and/or the Court.

2 Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

3 7.8.5. Final Report by Settlement Administrator. Within ten (10) days after the
4 Administrator disburses all funds in the Gross Settlement Amount, the
5 Administrator will provide Class Counsel and Defense Counsel with a final report
6 detailing its disbursements, by employee identification number only, of all
7 payments made under this Agreement. At least fifteen (15) days before any
8 deadline set by the Court, the Administrator will prepare, and submit to Class
9 Counsel and Defense Counsel, a signed declaration suitable for filing in Court
10 attesting to its disbursement of all payments required under this Agreement. Class
11 Counsel is responsible for filing the Administrator's declaration in Court.

12
13 **8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**

14 Based on its records at the time of mediation, Defendant estimated that there were approximately
15 50,000 Total Workweeks in the Class Period. In the event the actual count of Workweeks during the Class
16 Period increases by more than 15% from original estimate of 50,000 Workweeks (i.e., by more than 7,500
17 Workweeks, or in other words, if the Workweeks worked between September 15, 2017 to May 1, 2024
18 exceed 57,500), Defendant shall increase the Gross Settlement Amount on a proportional basis equal to
19 the percentage increase in number of workweeks worked by the Class Members above the 15% (i.e., if
20 there was 16% increase in the number of workweeks during the Class Period, Defendant would agree to
21 increase the Gross Settlement Amount by 1%).

22 **9. DEFENDANT'S RIGHT TO WITHDRAW.**

23 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ten percent
24 (10%) of the total of all Class Members, Defendant may, but is not obligated, to elect to withdraw from
25 the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have
26 no force or effect whatsoever, and that neither Party will have any further obligation to perform under this
27 Agreement; provided, however, Defendant will remain responsible for paying all Settlement
28 Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its

1 election to withdraw not later than fourteen (14) days after the Administrator sends the final Exclusion List
2 to Defense Counsel; late elections will have no effect.

3 **10. MOTION FOR FINAL APPROVAL.**

4 Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will
5 file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA
6 settlement under Labor Code § 2699(I), a Proposed Final Approval Order and a proposed Judgment
7 (collectively “Motion for Final Approval”). Class Counsel and Defense Counsel will expeditiously meet
8 and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the
9 Motion for Final Approval.

10 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by
11 a Participating Class Member, including the right to file responsive documents in Court no
12 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered
13 or accepted by the Court.

14 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval
15 on any material change to the Settlement (including, but not limited to, the scope of release
16 to be granted by Class Members), the Parties will expeditiously work together in good faith
17 to address the Court’s concerns by revising the Agreement as necessary to obtain Final
18 Approval. The Court’s decision to award less than the amounts requested for the Class
19 Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation
20 Expenses Payment and/or Administrator Expenses Payment shall not constitute a material
21 modification to the Agreement within the meaning of this paragraph.

22 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
23 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
24 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
25 administration matters, and (iii) addressing such post-Judgment matters as are permitted
26 by law.

27 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
28 conditions of this Agreement, specifically including the Class Counsel Fees Payment and

1 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the
2 Parties, their respective counsel, and all Participating Class Members who did not object
3 to the Settlement as provided in this Agreement, waive all rights to appeal from the
4 Judgment, including all rights to post-judgment and appellate proceedings, the right to file
5 motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The
6 waiver of appeal does not include any waiver of the right to oppose such motions, writs or
7 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this
8 Agreement will be suspended until such time as the appeal is finally resolved and the
9 Judgment becomes final, except as to matters that do not affect the amount of the Net
10 Settlement Amount.

11 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
12 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
13 material modification of this Agreement (including, but not limited to, the scope of release
14 to be granted by Class Members), this Agreement shall be null and void. The Parties shall
15 nevertheless expeditiously work together in good faith to address the appellate court's
16 concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis,
17 any additional Administration Expenses reasonably incurred after remittitur. An appellate
18 decision to vacate, reverse, or modify the Court's award of the Class Representative
19 Service Payments or any payments to Class Counsel shall not constitute a material
20 modification of the Judgment within the meaning of this paragraph, as long as the Gross
21 Settlement Amount remains unchanged.

22 **11. AMENDED JUDGMENT.**

23 If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work
24 together in good faith to jointly submit and a proposed amended judgment.

25 **12. ADDITIONAL PROVISIONS.**

26 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other
27 Purposes. Defendant has denied and continues to deny each and all of the claims and
28 contentions alleged in the Action, and has denied and continues to deny that it has

1 committed any violation of law or engaged in any wrongful act that was alleged, or that
2 could have been alleged, in the Action. This Agreement represents a compromise and
3 settlement of highly disputed claims. Nothing in this Agreement is intended or should be
4 construed as an admission by Defendant that any of the allegations in the Operative
5 Complaint have merit or that Defendant has any liability for any claims asserted; nor
6 should it be intended or construed as an admission by Plaintiff that Defendant's defenses
7 in the Action have merit. The Parties agree that class certification and representative
8 treatment is for purposes of this Settlement only. If, for any reason the Court does not grant
9 Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to
10 contest certification of any class for any reasons, and Defendant reserves all available
11 defenses to the claims in the Action, and Plaintiff reserves the right to move for class
12 certification on any grounds available and to contest Defendant's defenses. The
13 Settlement, this Agreement and Parties' willingness to settle the Action will have no
14 bearing on, and will not be admissible in connection with, any litigation (except for
15 proceedings to enforce or effectuate the Settlement and this Agreement).

16 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
17 Defense Counsel separately agree that, until the Motion for Preliminary Approval of
18 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,
19 or cause or permit another person to disclose, disseminate or publicize, any of the terms of
20 the Agreement directly or indirectly, specifically or generally, to any person, corporation,
21 association, government agency, or other entity except: (1) to the Parties' attorneys,
22 accountants, or spouses, all of whom will be instructed to keep this Agreement
23 confidential; (2) counsel in a related matter only as necessary to litigate each related matter;
24 (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response
25 to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state
26 or federal government agency. Each Party agrees to immediately notify each other Party
27 of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff,
28 Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or

1 indirectly, initiate any conversation or other communication, before the filing of the Motion
2 for Preliminary Approval, with any third party regarding this Agreement or the matters
3 giving rise to this Agreement except to respond only that “the matter was resolved,” or
4 words to that effect. This paragraph does not restrict Class Counsel’s communications with
5 Class Members in accordance with Class Counsel’s ethical obligations owed to Class
6 Members.

7 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and
8 employees will not solicit any Class Member to opt out of or object to the Settlement, or
9 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
10 Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s
11 ethical obligations owed to Class Members.

12 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
13 together with its attached exhibits shall constitute the entire agreement between the Parties
14 relating to the Settlement, superseding any and all oral representations, warranties,
15 covenants, or inducements made to or by any Party.

16 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
17 represent that they are authorized by Plaintiff and Defendant, respectively, to take all
18 appropriate action required or permitted to be taken by such Parties pursuant to this
19 Agreement to effectuate its terms, and to execute any other documents reasonably required
20 to effectuate the terms of this Agreement including any amendments to this Agreement.

21 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
22 best efforts, in good faith, to implement the Settlement by, among other things, modifying
23 the Agreement, submitting supplemental evidence and supplementing points and
24 authorities as requested by the Court. In the event the Parties are unable to agree upon the
25 form or content of any document necessary to implement the Settlement, or on any
26 modification of the Agreement that may become necessary to implement the Settlement,
27 the Parties will seek the assistance of a mediator and/or the Court for resolution.

28 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not

1 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
2 encumber to any person or entity and portion of any liability, claim, demand, action, cause
3 of action, or right released and discharged by the Party in this Settlement.

4 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
5 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
6 relied upon as such within the meaning of United States Treasury Department Circular 230
7 (31 CFR Part 10, as amended) or otherwise.

8 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
9 modified, changed, or waived only by an express written instrument signed by all Parties
10 or their representatives, and approved by the Court.

11 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
12 benefit of, the successors of each of the Parties.

13 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
14 governed by and interpreted according to the internal laws of the state of California,
15 without regard to conflict of law principles.

16 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
17 this Agreement. This Agreement will not be construed against any Party on the basis that
18 the Party was the drafter or participated in the drafting. No parol or other evidence may be
19 offered to explain, construe, contradict, or clarify its terms, the intent of the Parties or their
20 counsel, or the circumstances under which this Agreement was made or executed.

21 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
22 during Action and in this Agreement relating to the confidentiality of information shall
23 survive the execution of this Agreement.

24 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to
25 Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class
26 Counsel by Defendant in connection with the mediation, other settlement negotiations, or
27 in connection with the Settlement, may be used only with respect to this Settlement, and
28 no other purpose, and may not be used in any way that violates any existing contractual

1 agreement, statute, or rule of court. Not later than ninety (90) days after the date when the
2 Court discharges the Administrator’s obligation to provide a Declaration confirming the
3 final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic
4 versions of Class Data received from Defendant unless, prior to the Court’s discharge of
5 the Administrator’s obligation, Defendant makes a written request to Class Counsel for the
6 return, rather than the destructions, of Class Data.

7 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
8 inserted for convenience of reference only and does not constitute a part of this Agreement.

9 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be
10 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
11 weekend or federal legal holiday, such date or deadline shall be on the first business day
12 thereafter.

13 12.17. Reasonable Extensions. The Parties reserve the right, subject to the Court’s approval, to
14 agree to any reasonable extensions of time that might be necessary to carry out any of the
15 provisions of this Agreement.

16 12.18. Notice. All notices, demands or other communications between the Parties in connection
17 with this Agreement will be in writing and deemed to have been duly given as of the third
18 business day after mailing by United States mail, or the day sent by email or messenger,
19 addressed as follows:

20 To Plaintiff:

21 Kane Moon, Esq.
22 Lilit Ter-Astvatsatryan, Esq.
23 Linh Tran, Esq.
24 MOON LAW GROUP, PC
25 1055 W. Seventh St., Suite 1880
26 Los Angeles, CA 90017

27 To Defendant:

28 John A. Conkle
Amanda R. Washton
CONKLE, KREMER & ENGEL
3130 Wilshire Boulevard, Suite 500
Santa Monica, California 90403-2351

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12.19. Opportunity to Cure. If one Party to this Agreement considers another Party to be in breach of its obligations under this Agreement, that Party must provide the breaching Party with written notice of the alleged breach and provide a reasonable opportunity to cure the breach before taking any action to enforce any rights under this Agreement. Unless a longer time is agreed to in writing by the parties, thirty (30) days is deemed a “reasonable opportunity to cure.”

12.20. Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision if Defendant and Class Counsel, on behalf of Class Representatives and Class Members, mutually agree in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement. Any such agreement shall be reviewed and approved by the Court before it becomes effective.

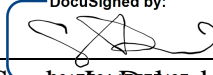
12.21. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.22. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

[SIGNATURES ARE TO FOLLOW ON THE NEXT PAGE]

Plaintiff & Class Representative:


Dated: 5/10/2024

DocuSigned by:
By: 
Sandra L. Delgado

Plaintiff's Counsel:

Dated: 5/10/2024

MOON LAW GROUP, PC

By: 
Kane Moon
Lilit Ter-Astvatsatryan
Linh Tran
Attorneys for Plaintiff

Defendant:

Dated: Morton Grinding, Inc.

By: _____
Print Name

Signature

Title

Defendant's Counsel:

Dated: CONKLE, KREMER & ENGEL

By: _____
John A. Conkle
Amanda R. Washton
Attorneys for Defendant

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Plaintiff & Class Representative:

Dated: _____
By: _____
Sandra L. Delgado

Plaintiff's Counsel:

Dated: _____
MOON LAW GROUP, PC
By: _____
Kane Moon
Lilit Ter-Astvatsatryan
Linh Tran
Attorneys for Plaintiff

Defendant:

Dated: 5/10/24 Morton Grinding, Inc.

By: Wallace Morton, Jr.
Print Name

Wallace Morton, Jr.
Signature

CEO
Title

Defendant's Counsel:

Dated: May 10, 2024 CONKLE, KREMER & ENGEL

By: John A. Conkle
John A. Conkle
Amanda R. Washton
Attorneys for Defendant

Exhibit A

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

Sandra L. Delgado v. Morton Grinding, Inc., Case No.: 21STCV34037

The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from employee class action lawsuits ("Action") against defendant Morton Grinding, Inc. ("Defendant") for alleged wage and hour violations. The Action was filed by former employee Sandra L. Delgado ("Plaintiff") and seeks payment of (1) back wages [and other relief] for a class of hourly employees ("Class Members") who worked for Defendant during the Class Period (September 15, 2017 to May 1, 2024); and (2) penalties under the California Private Attorney General Act ("PAGA") for all hourly employees who worked for Defendant during the PAGA Period (September 13, 2020 to May 1, 2024) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$ [redacted] (less withholding), and your Individual PAGA Payment is estimated to be \$ [redacted]. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Settlement Payment, then according to Defendant's records you are not eligible for such a payment under the Settlement because you didn't work during the covered period.)

The above estimates are based on Defendant's records showing that you worked [redacted] workweeks during the Class Period, and you worked [redacted] pay periods during the PAGA Period. If you believe that you worked more workweeks or pay periods during any of the respective periods, you can submit a challenge by the deadline date of [redacted]. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Settlement Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Class Payment, and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
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<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is [REDACTED]</p>	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by [REDACTED]</p>	<p>All Class Members who do not opt-out ("Settlement Class Members" or "Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Settlement Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the [REDACTED] Final Approval Hearing</p>	<p>The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by [REDACTED]</p>	<p>The amount of your Individual Class Payment, and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period, and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee. The Action accuses Defendant of violating California labor laws by (1) failing to pay all wages; (2) failing to properly calculate overtime; (3) failing to provide meal breaks (including without limitation first and second meal breaks) each day based on the hours worked by each employee, including meal breaks that were short, late, interrupted, and/or missed altogether; (4) failing to authorize and permit legally compliant rest breaks each day based on the hours worked by each employee, including rest breaks that were short, late, interrupted, and/or missed altogether; (5) failing to timely pay wages during employment for each pay period for every employee; (6) failing to timely pay wages upon discharging employees; and (7) conducting unfair business practices. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: MOON LAW GROUP, PC ("Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator, Michael Young, Esq., in an effort to resolve the Action by negotiating and to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final

Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant will pay \$425,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, or if an objection is made but withdrawn prior to the Final Approval Hearing, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to \$141,666.67 (3 3 1 / 3 % of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$16,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$7,500.00 for Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment, and any Individual PAGA Payment.

C. Up to an estimated \$10,000.00 to the Administrator for services administering the Settlement.

D. \$20,000.00 for PAGA Penalties, allocated 75% (\$15,000.00) to the LWDA and 25% (\$5,000.00) to the Aggrieved Employees based on their PAGA Pay Periods.

Settlement Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Settlement Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. You will have 180 days to cash your checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). The funds from the uncashed checks will be distributed as directed by the Court pursuant to Code of Civil Procedure section 384. The uncashed checks will be void and a stop-payment shall be issued, and the

Administrator shall transfer the unclaimed funds to Court Appointed Special Advocates of Los Angeles as the *cy pres* recipient.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a signed letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, last four digits of the Class Member's Social Security Number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void. Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, Apex Class Action Administration (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks and/or Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of another lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint, including, e.g., any and all claims arising under California Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 1174(d), 1194, 1194.2, 1197, 1198, and the applicable Industrial Welfare Commission Wage Orders based on any alleged failure to pay minimum wage; failure to pay overtime compensation; failure to pay paid time off wages; failure to provide meal periods; failure to authorize and permit rest periods; failure to timely pay final wages; failure to timely pay wages during employment; failure to provide accurate wage statements; failure to keep adequate records; and unfair business practices arising under California Business and Professions Code section 17200 et seq. Excluded from this portion of the release are claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the Plaintiff's PAGA Notice. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Settlement Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Settlement Class Members and those who opt-out of the Class

Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Class Members who are Aggrieved 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 Operative Complaint and/or the Plaintiff's PAGA Notice, including any claim for PAGA penalties based on alleged violations of California Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 1174(d), 1194, 1194.2, 1197, 1198, and the applicable Industrial Welfare Commission Wage Orders based on any alleged failure to pay minimum wage; failure to pay overtime compensation; failure to pay paid time off wages; failure to provide meal periods; failure to authorize and permit rest periods; failure to timely pay final wages; failure to timely pay wages during employment; failure to provide accurate wage statements; and/or failure to keep adequate records.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement by the total number of Workweeks worked by all Settlement Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Settlement Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Settlement Payments by (a) dividing \$5,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Class Members) and Defendant's Counsel. If the Administrator's decision is not accepted by the Parties and the disputing Class Member, the dispute will be submitted to the Court for resolution at the time of the final approval hearing.

5. HOW WILL I GET PAID?

1. Settlement Class Members. The Administrator will send, by U.S. mail, a single check to every Settlement Class Member (i.e., every Class Member who doesn't opt-out) and all Class Members who qualify as Aggrieved Employees, whether they opt out or not. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member who is eligible as an Aggrieved Employee).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Sandra L. Delgado v. Morton Grinding, Inc.* case, and include your identifying information (full name, address, telephone number, approximate dates of employment, and the last four digits of your social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent

your request to be excluded by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and a request for awards of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Court's by going to <http://www.lacourt.org/casesummary/ui/index.aspx> and entering the Case Number for the Action, 21STCV34037. If you obtain documents through the Court's website, you will be required to pay for them.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and for awards of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as the *Sandra L. Delgado v. Morton Grinding, Inc.* case and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Settlement Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department 1 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>.) Check the Court's website for the most current information.

If you intend to appear at the Final Approval Hearing, please check the Court's website for the most current requirements for masks and social distancing. The most recent Order of the Los Angeles Superior Court can be found at <https://www.lacourt.org/newsmedia/uploads/14202232517164722NRFACEMASKS.pdf>. Updated information may be available at <https://www.lacourt.org/>. Currently, face masks are recommended but not required.

It's possible the Court will reschedule the Final Approval Hearing. You should contact Class Counsel to verify the date and time of the Final Approval Hearing if you are planning to attend the hearing or have your own lawyer attend.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Plaintiff and Defendant have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at _____. The notice of final Judgment will be posted on the Administrator's website. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <http://www.lacourt.org/casesummary/ui/index.aspx> and entering the Case Number for the Action, 21STCV34037. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

If you intend to review Court records, please check the Court's website for the most current requirements for masks and social distancing. The most recent Order of the Los Angeles Superior Court can be found at <https://www.lacourt.org/newsmedia/uploads/14202232517164722NRFACEMASKS.pdf>. Updated information may be available at <https://www.lacourt.org/>. Currently, face masks are recommended but not required.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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Settlement Administrator:

Name of Company: Apex Class Action Administration
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.