

STANSBURY BROWN LAW, PC

Daniel J. Brown (SBN 307604)
dbrown@stansburybrownlaw.com
2610 ½ Abbot Kinney Blvd.
Venice, California 90291
Tel: (323) 204-3124

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

ALEXIS MORALES, as an individual and on
behalf of all others similarly situated,

Plaintiff,

v.

KNOWLES SECURITY, INC., a California
corporation; and DOES 1 through 100,

Defendants.

Case No.: 30-2023-01330854-CU-OE-CXC

*[Assigned for all purposes to the
Honorable Layne Melzer]*

**SUPPLEMENTAL DECLARATION
OF DANIEL J. BROWN IN SUPPORT
OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
SETTLEMENT**

Date: April 17, 2025
Time: 2:00 p.m.
Dept.: CX102

Complaint Filed: June 9, 2023
First Amended
Complaint Filed: July 31, 2023
Trial Date: None Set

1 I, DANIEL J. BROWN, declare as follows:

2 1. I am the principal of the law firm of Stansbury Brown Law, PC, and counsel for
3 the named plaintiff Alexis Morales (“Plaintiff”) and the proposed Settlement Class in the above-
4 captioned matter. I am a member in good standing of the bar of the State of California and am
5 admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration
6 and could testify competently to them if called upon to do so.

7 2. This declaration addresses the issues identified in the Court’s February 28, 2025
8 Minute Order (“Order”) requesting supplemental briefing on Plaintiff’s Motion for Preliminary
9 Approval of Class Action Settlement.

10 3. A true and correct copy of the amended Stipulation of Settlement (“Settlement”) is attached hereto as **Exhibit A**. The amended Settlement is also attached hereto as **Exhibit B** in
11 track-changes to allow the Court to clearly identify the changes that were requested in the Court’s
12 Order.
13

14 4. The amended Class Action Notice (“Class Notice), Request for Exclusion Form, and Objection Form are attached hereto as **Exhibits C, D, and E**, respectively. The amended
15 Class Notice, Request for Exclusion Form and Objection Form are also attached hereto as
16 **Exhibits F, G, and H** in track-changes to allow the Court to clearly identify the changes that
17 were requested in the Court’s Order.
18

19 5. A true and correct track-changes copy of the concurrently filed Revised [Proposed]
20 Order Granting Preliminary Approval of Class Action Settlement is attached hereto as **Exhibit I**
21 to allow the Court to clearly identify changes in this Revised Order from the previously filed
22 [Proposed] Order Granting Preliminary Approval of Class Action Settlement.

23 6. **Settlement Agreement**

24 The Settlement Agreement has been amended at Paragraph 7.C to also allow for
25 submission of disputes to workweeks within 60 days after remailing of Class Notice. Paragraph
26 9 of the Settlement has also been revised to provide for the Court’s continuing jurisdiction
27 pursuant to CCP § 664.6 and CRC 3.769(h).

28 ///

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

- 2
- 3
- 4
- 5

6
7

7
8
9
10
11
12
13

14
15

15
16
17

18
19

20

21

EXHIBIT A

STIPULATION OF CLASS AND PAGA SETTLEMENT

This Stipulation of Class and PAGA Settlement (“**Settlement Agreement**”) is reached by and between: (i) Plaintiff Alexis Morales (“**Plaintiff**”), individually and on behalf of all Aggrieved Employees, defined below, and members of the Settlement Class, defined below, on the one hand; and (ii) Defendant Knowles Security, Inc. (“**KSI**” or “**Defendant**”) on the other hand (Plaintiff and Defendant are referred to herein as the “**Parties**”). Plaintiff, Aggrieved Employees, and the Settlement Class are represented by Daniel J. Brown and Jessica Flores of Stansbury Brown Law, PC (“**Class Counsel**”). Defendant is represented by Roxana E. Verano and Joseph P. Sklar of Landegger Verano & Davis, ALC.

Plaintiff filed a class action complaint (“**Complaint**”) against Defendant on June 9, 2023, in Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC, which alleges causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) wage statement violations; and (7) unfair competition. Plaintiff filed a First Amended Class and Representative Action Complaint (“**FAC**”) on July 31, 2023, to add an additional cause of action for civil penalties under the Private Attorneys General Act (“**PAGA**”) pursuant to Labor Code section 2698 *et seq.* based on claims asserted in the PAGA letter Plaintiff submitted to the LWDA on May 24, 2023, in Case No. LWDA-CM-957309-23. The Complaint and FAC are referred to herein as the “**Action**.” The FAC is the Operative Complaint for settlement purposes.

On March 4, 2024, Plaintiff and Defendant, represented by their respective counsel of record, privately mediated the Action before Tagore Subramaniam, Esq. The Parties were unable to reach a resolution at the mediation, but after several months of confirmatory discovery and additional negotiations, the Parties reached a settlement.

Prior to entering into settlement discussions, the Parties conducted significant investigation of the facts and law through informal discovery, which included review and analysis of Defendant’s policies and putative class members’ and Aggrieved Employees’ time records and payroll records. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff’s claims, the defenses thereto, and the damages and penalties claimed by Plaintiff in the Action. As a result of the Parties’ thorough investigation of the allegations and defenses thereto, they were able to reach an agreement for a global settlement after extensive negotiations.

Given the risks and uncertainties of litigation, the Parties have agreed to settle this Action on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is intended solely to allow the Parties to buy their peace and resolve the disputed claims asserted in this Action.

1. Certification for Settlement Purposes.

For the purposes of this Settlement Agreement only, the Parties stipulate to conditional certification of the following Settlement Class (hereinafter, the “**Settlement Class**” or “**Settlement Class Members**”):

All current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024 (“**Class Period**”).

2. Aggrieved Employees.

For the purposes of this Settlement Agreement only, the Parties stipulate that the “**Aggrieved Employees**” shall be defined as:

All current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of May 24, 2022, through June 23, 2024 (the “**PAGA Period**”).

3. Releases.

- A. **Released Parties.** As referenced herein, **Released Parties** shall collectively mean: Defendant Knowles Security, Inc., and its respective past and present officers, directors, and shareholders.
- B. **Releases Effective Upon Full Payment of the GSA.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the individual Participating Member Payments, Plaintiff, Participating Settlement Class Members, and Aggrieved Employees will release claims against all Released Parties as described below.
- C. **Released Class Claims.** All Settlement Class Members who do not opt out of the settlement (collectively, “**Participating Settlement Class Members**”) on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties, from all claims pled based on the factual allegations in the Action during the Class Period, including: (a) minimum wage violations; (b) failure to pay all overtime wages; (c) rest period violations; (d) waiting time penalties; (e) wage statement violations; (f) unfair competition; and (h) meal period violations.
- D. **Released PAGA Claims.** Aggrieved Employees, regardless of whether they opt out of the Settlement Class, will release and discharge the Released Parties from all claims for PAGA civil penalties that were alleged based on facts pled in the Action for alleged Labor Code violations that arose during the PAGA Period.
- E. **Plaintiff’s Release of Unknown Claims.** In light of his Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Class and PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers compensation claims or any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that he is, as a result,

waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

4. **Settlement Payment.** In exchange for the releases set forth in this Settlement Agreement, Defendant agrees to pay a common fund of Four Hundred Fifty Thousand Dollars and Zero Cents (\$450,000.00) (“**Gross Settlement Amount**” or “**GSA**”) in full and complete settlement of this matter. Besides the triggering of the escalator clause pursuant to paragraph 4(D) of this Settlement Agreement and Defendant’s payment of its share of payroll taxes pursuant to paragraph 4(C) of this Settlement Agreement, in no event shall Defendant be required to pay more than the GSA. The GSA shall be paid as follows:

A. **Funding and Disbursement of the Gross Settlement Amount.** The GSA shall be deposited with the Settlement Administrator in three (3) installments as follows: (1) Defendant shall make the first installment of \$100,000.00 within seven (7) days of Preliminary Approval; (2) Defendant shall make an additional payment of \$175,000.00 within twenty-eight (28) days of the date of **Final Approval** (which, for this purpose, shall be defined as the date on which the Court enters an Order granting Final Approval, or solely in the event that there are any objections to the settlement, the filing of an objection being a prerequisite to the filing of an appeal, the later of: (i) the last date on which any appeal might be filed, or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review); and (3) Defendant shall make the remaining payment of \$175,000.00 within six (6) months of the date of Final Approval, unless Final Approval is granted on or after April 4, 2025, in which case all outstanding payments will be made within twenty-eight (28) days of Final Approval. The Settlement Administrator shall disburse Plaintiff’s Class Representative Enhancement Payment, Class Counsel’s litigation costs and expenses, and sixty percent (60%) of Class Counsel’s attorneys’ fees within fifteen (15) days of Final Approval. Disbursement of all other portions of the Maximum Settlement Amount, including the remaining forty percent (40%) of Class Counsel’s attorneys’ fees, shall be made within fifteen (15) days of the final installment payment. The Settlement Administrator shall hold all portions of the Maximum Settlement Amount in an interest-bearing account for the benefit of the Settlement Class until the time for disbursement as called for in this Settlement Agreement.

B. **Non-revisionary.** This is a non-reversionary settlement. The Gross Settlement Amount includes:

- i. All payments to the Aggrieved Employees and Settlement Class;
- ii. **Settlement Administrator.** All fees and expenses of the settlement administrator associated with the administration of the settlement, which are anticipated to be

no greater than Eight Thousand Nine Hundred Ninety Dollars and Zero Cents (\$8,990.00). The Parties agree to the appointment of Apex Class Action Administration as the settlement administrator (“**Settlement Administrator**”) and to Class Counsel seeking Court approval to pay up to Eight Thousand Nine Hundred Ninety Dollars and Zero Cents (\$8,990.00) from the Gross Settlement Amount for the Settlement Administrator’s services. The Settlement Administrator shall be responsible for sending all required notices in both English and Spanish, providing written reports to Class Counsel and Defense Counsel that, among other things, tally the number of Notices mailed or re-mailed, Notices returned undelivered, Requests for Exclusion, objections and disputes received from Settlement Class Members, calculating the Net Settlement Amount, calculating each Settlement Class Member’s and Aggrieved Employees’ Participating Member Payment, defined below, amount, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Paragraph 5(C), and providing declarations regarding the Settlement Administrator’s background and services for Preliminary Approval, attesting to its due diligence and compliance with all of its obligations under this Agreement for Final Approval, and a final report detailing disbursement of the Gross Settlement Amount in compliance with the Final Approval Order. The Settlement Administrator shall also create a static URL to post key settlement documents including this Settlement, the operative complaint, the preliminary approval order, final approval order, and final judgment. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after checks have been mailed to all Aggrieved Employees and Participating Settlement Class Members (collectively “**Participating Members**”). Any funds allocated to the Settlement Administrator but not paid shall be distributed to Participating Members on a pro-rata basis;

- iii. Class Representative Service Award. Up to Five Thousand Dollars (\$5,000.00) for a class representative service award to Plaintiff subject to Court approval, in recognition of Plaintiff’s general release of claims, contributions to the Action, and service to the Settlement Class. Defendant will not object to a request for a Class Representative Service Award for Plaintiff in exchange for the general release of his claims and waiver of Civil Code Section 1542, his time and risks in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff’s Participating Member Payment (defined below) as a Participating Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Class Representative Service Award to the Plaintiff is for his services in connection with this Action and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Class Representative Service Award and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Class Representative Service Award does not represent wages, the Internal Revenue Service, the California

Franchise Tax Board, or some other taxing authority may take the position that some or all of the Class Representative Service Award constitutes wages for income tax and withholding purposes. Plaintiff agrees to assume all responsibility for remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendant from the Class Representative Service Award paid under this Settlement Agreement, and all liability associated therewith. In the event that the Court reduces or does not approve the requested Class Representative Service Award, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;

- iv. Class Counsel Fees and Costs. Up to thirty-five percent (35%) of the Gross Settlement Amount in attorneys' fees, which is currently estimated to be One Hundred Fifty-Seven Thousand, Five Hundred Dollars (\$157,500.00), plus up to Twenty-Five Thousand Dollars (\$25,000.00) in verified costs and expenses related to the Action as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding. If the Gross Settlement Amount increases pursuant to Paragraph 4(D), the amount of fees requested by Class Counsel will increase proportionally such that the requested award is thirty-five percent of the GSA. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court; and
- v. PAGA Penalties. Ten Thousand Dollars (\$10,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars (\$7,500.00) will be payable to the Labor & Workforce Development Agency ("**LWDA Payment**"), and the remaining twenty-five percent (25%), or Two Thousand Five Hundred Dollars (\$2,500.00) will be payable to the Aggrieved Employees as the "**PAGA Amount.**" The LWDA Payment and PAGA Amount are collectively referred to herein as the "**PAGA Penalties.**"

C. **Payroll Tax Payments.** Defendant's share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

D. Class Escalator Clause. Based on its records, Defendant estimates there are approximately 430 Settlement Class Members and approximately 18,000 Class Workweeks within the Class Period. If the actual number of Class Workweeks released by this Settlement is greater than 5% of this estimate (i.e., increase by more than 900 Class Workweeks), then Defendant has the option to either (1) agree to increase the Gross Settlement Amount on a pro-rata basis equal to the increase in number of Class Workweeks (e.g., if the number of Class Workweeks increases by 11%, the GSA will increase by 11%); or (2) elect to end the Class Period on an earlier date at the Defendant's discretion in order to limit the number of Class Workweeks released to no more than 18,000 in lieu of paying an increase to the Gross Settlement Amount.

A "Class Workweek" shall be any calendar week in which the Settlement Class Member worked at least one shift performing work for Defendant during the Class Period based on Defendant's records.

A "PAGA Pay Period" shall be any calendar week in which Aggrieved Employees worked at least one shift performing work for during the PAGA Period based on Defendant's records.

5. **Participating Member Payment Procedures.** Participating Settlement Class Members and Aggrieved Employees (collectively, "**Participating Members**") are not required to submit a claim form to receive their share of the Settlement ("**Participating Member Payment**"). Participating Member Payments will be determined and paid as follows:

A. **Net Settlement Amount:** The Net Settlement Amount is the Gross Settlement Amount after the following deductions are made: (a) all costs of settlement administration; (b) Class Representative Service Award to Plaintiff; (c) the LWDA Payment; and (d) costs and attorneys' fees for Class Counsel. The Net Settlement Amount shall be available for Participating Members. From the Net Settlement Amount, the Settlement Administrator will calculate each Participating Member Payment based on the following formula:

- i. **PAGA Amount.** Each Aggrieved Employee shall receive a portion of the Two Thousand Five Hundred Dollars (\$2,500.00) that has been designated as the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's PAGA Pay Periods, and the denominator of which is the total PAGA Pay Periods of all Aggrieved Employees.
- ii. **Remainder.** The remainder of the Net Settlement Amount shall be distributed to each Participating Settlement Class Member based on their proportionate share of Class Workweeks, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class Member's Class Workweeks, and the denominator of which is the total Class Workweeks of all Participating Settlement Class Members.

- B. Participating Member Payment Tax Treatment.** For purposes of calculating applicable taxes and withholdings for the payment to Participating Members described in Paragraph 5(A)(ii), twenty percent (20%) of each such payment shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining eighty percent (80%) of each such payment shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Additionally, 100% of the PAGA Amount paid to Aggrieved Employees shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of these payments to each Participating Member above, none of the Participating Member Payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- C. Deadline to Negotiate Participating Member Payment.** Each Participating Member who receives a Participating Member Payment must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Participating Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued, except for good cause and as mutually agreed by the Parties in writing. If a Participating Member does not cash his or her settlement check within 180 days, the uncashed funds, subject to Court approval, shall be transferred by the Settlement Administrator to the Boys & Girls Clubs of Central Orange Coast, as the designated *cy pres*.
- D.** Defendant shall be deemed to have fully discharged its obligations to each Participating Member when the Settlement Administrator mails each Participating Member a settlement check, regardless of whether such checks are actually received and/or negotiated by Participating Members. Neither Plaintiff, Defendant, nor their respective counsel shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by his, her, or its own acts of omission or commission, the same is true for the Settlement Administrator.
- 6. Preliminary Approval.** Plaintiff shall apply to the Court for the entry of an Order:
- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
 - B. Appointing Daniel J. Brown and Jessica Flores of Stansbury Brown Law, PC as Class Counsel;
 - C. Appointing Alexis Morales as the Class Representative for the Settlement Class;
 - D. Approving Apex Class Action Administration as Settlement Administrator;
 - E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

- F. Approving the form and content of the Class Notice Packet (comprised of the Class Notice, Objection Form, and Exclusion Form) and directing the mailing of same in English and Spanish;
 - G. Scheduling a Final Approval hearing;
 - H. Plaintiff shall submit the proposed settlement to the Labor Workforce Development Agency (“LWDA”) pursuant to Labor Code § 2699(l)(2). Proof of this submission will be provided to the Court and to Defendant’s counsel; and
 - I. If Final Approval is granted, Plaintiff shall submit a copy of the Superior Court’s judgment to the LWDA after entry of the judgment or order, pursuant to Labor Code § 2699(l)(3).
7. **Notice Procedures.** Following preliminary approval, Settlement Class Members and Aggrieved Employees shall be notified as follows:
- A. Within fourteen (14) days after entry of an order preliminarily approving this Settlement Agreement, Defendant will provide the Settlement Administrator with a class list (in electronic format) including the full names, last known addresses, social security numbers, dates of employment, Class Workweeks and PAGA Pay Periods for each Aggrieved Employee and Settlement Class Member.
 - B. Within seven (7) days from receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Settlement Class Members and Aggrieved Employees through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members and Aggrieved Employees; (ii) update the addresses of any Settlement Class Member or Aggrieved Employee for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class Member or Aggrieved Employee in English and Spanish at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
 - C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member or Aggrieved Employee immediately, and in any event within three (3) business days of obtaining the updated address. Settlement Class Members that have notices remailed will have 60 days from the date of remailing to request exclusion from or to object to the Settlement and to dispute the number of Class or PAGA Workweeks stated in their Class Notice.

- D. Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail or fax a Request for Exclusion Form (defined below) to the Settlement Administrator within sixty (60) days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
- i. The Request for Exclusion must: (1) contain the name and address, telephone number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the class settlement; (3) be signed by the Settlement Class Member; and (4) be faxed or postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion fails to comply with items (1), (2), or (4), it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion not containing a Settlement Class Member's telephone number will be deemed valid. The date of the postmark on the Request for Exclusion, shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to their share of the PAGA Amount) or have any right to object, intervene, appeal, or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion is automatically deemed a Participating Settlement Class Member.
- E. Objections.** Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel as well as filing them with the Court). Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class Member's full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) absent good cause found by the Court objections must be postmarked on or before the Response Deadline. Members of the Settlement Class May also appear in person at the Final Approval Hearing to object to the Settlement.
- F. Challenges to Participating Member Payment Calculations.** Each Notice Packet mailed to a Settlement Class Member or Aggrieved Employee shall disclose the amount of the Settlement Class Member's or Aggrieved Employee's estimated Participating Member Payment as well as all of the information that was used from Defendant's records in order to calculate the Participating Member Payment, including the number of Class Workweeks and the number of PAGA Pay Periods. Settlement Class Members

and Aggrieved Employees will have the opportunity, should they disagree with Defendant's records regarding the number of Class Workweeks and PAGA Pay Periods stated in their Notice Packet, to challenge the data provided. In order to challenge Defendant's data, the Settlement Class Member or Aggrieved Employee must provide documentation and/or an explanation demonstrating that Defendant's data is incorrect and evidencing the correct number of Class Workweeks and/or PAGA Pay Periods that the Settlement Class Member or Aggrieved Employee believes they should have been credited with and/or evidence of the correct date their employment ended. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) days of receipt.

G. Dispute Resolution. The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of Settlement Class Member's or Aggrieved Employee's Participating Member Payment, the allocation of W-2 wages, and the number of Class Workweeks and PAGA Pay Periods. Where the information submitted by Defendant from its records differ from the information submitted by the Settlement Class Member or Aggrieved Employee, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and Defendant's counsel to discuss and resolve the dispute. In advance of the conference call, the Settlement Administrator shall email copies of all available information to all counsel. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for an amount of any Participating Member Payment. Such determination shall be binding upon the Settlement Class Member, Aggrieved Employee, and the Parties.

8. **Final Approval Process.** Following preliminary approval and the close of the Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Class Representative Service Award, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the PAGA Penalties; and

C. Entering judgment pursuant to California Rule of Court 3.769.

9. **Court's Continued Jurisdiction.** Pursuant to Section 664.6 of the California Code of Civil Procedure and California Rule of Court 3.769(h), the Court will retain jurisdiction to enforce the Settlement and any Final Order and Judgment.

10. **Non-Admission.** Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action, and that but for this settlement a class should not be certified in this Action. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code section 1152.
11. **No Public Comment:** The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.
12. **Amendments or Modifications.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties or their representatives, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.
13. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses of the Parties' representatives set forth below, or such other addresses as the Parties may designate in writing from time to time:

If to Defendant:

Roxana E. Verano, Esq.
Joseph P. Sklar, Esq.
LANDEGGER VERANO & DAVIS, ALC
15760 Ventura Boulevard, Suite 1200
Encino, CA 91436
roxana@landeggeresq.com
joseph@landeggeresq.com

If to Plaintiff:

Daniel J. Brown, Esq.
Jessica Flores, Esq.
STANSBURY BROWN LAW, PC
2610 ½ Abbot Kinney Blvd.
Venice, CA 90291
dbrown@stansburybrownlaw.com
jflores@stansburybrownlaw.com

14. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations,

presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

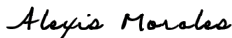
15. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.
16. **Failure to Obtain Final Approval.** If the court fails to grant either preliminary or final approval, the Parties shall be restored to their positions at the time of the execution of this memorandum, which shall include but not be limited to, all funds paid by Defendant shall be returned to Defendant, with the exception that if any settlement administration costs are due and payable, Defendant shall pay those costs.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

Date: 4/1/2025

Signed by:

4BC2EB0B67024BD...

Alexis Morales, Plaintiff

Date: _____

Joe Zuniga, Chief Executive Officer
Defendant Knowles Security, Inc.

Approved as to form:

Date: _____

LANDEGGER VERANO & DAVIS, ALC

Roxana E. Verano
Joseph P. Sklar
Counsel for Defendant

Date: 4/1/2025

STANSBURY BROWN LAW, PC



Daniel J. Brown
Counsel for Plaintiff and the Settlement
Class

EXECUTION BY PARTIES AND COUNSEL

Date: _____

Date: 4/1/2025

Approved as to form:

Date: 4/1/25

Alexis Morales, Plaintiff

DocuSigned by:

049BD1AA9B8F498

Joe Zuniga, Chief Executive Officer
Defendant Knowles Security, Inc.

LANDEGGER VERANO & DAVIS, ALC



Roxana E. Verano
Joseph P. Sklar
Counsel for Defendant

Date: _____

STANSBURY BROWN LAW, PC

Daniel J. Brown
Counsel for Plaintiff and the Settlement
Class

EXHIBIT B

STIPULATION OF CLASS AND PAGA SETTLEMENT

This Stipulation of Class and PAGA Settlement (“**Settlement Agreement**”) is reached by and between: (i) Plaintiff Alexis Morales (“**Plaintiff**”), individually and on behalf of all Aggrieved Employees, defined below, and members of the Settlement Class, defined below, on the one hand; and (ii) Defendant Knowles Security, Inc. (“**KSI**” or “**Defendant**”) on the other hand (Plaintiff and Defendant are referred to herein as the “**Parties**”). Plaintiff, Aggrieved Employees, and the Settlement Class are represented by Daniel J. Brown and Jessica Flores of Stansbury Brown Law, PC (“**Class Counsel**”). Defendant is represented by Roxana E. Verano and Joseph P. Sklar of Landegger Verano & Davis, ALC.

Plaintiff filed a class action complaint (“**Complaint**”) against Defendant on June 9, 2023, in Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC, which alleges causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) wage statement violations; and (7) unfair competition. Plaintiff filed a First Amended Class and Representative Action Complaint (“**FAC**”) on July 31, 2023, to add an additional cause of action for civil penalties under the Private Attorneys General Act (“**PAGA**”) pursuant to Labor Code section 2698 *et seq.* based on claims asserted in the PAGA letter Plaintiff submitted to the LWDA on May 24, 2023, in Case No. LWDA-CM-957309-23. The Complaint and FAC are referred to herein as the “**Action**.” The FAC is the Operative Complaint for settlement purposes.

On March 4, 2024, Plaintiff and Defendant, represented by their respective counsel of record, privately mediated the Action before Tagore Subramaniam, Esq. The Parties were unable to reach a resolution at the mediation, but after several months of confirmatory discovery and additional negotiations, the Parties reached a settlement.

Prior to entering into settlement discussions, the Parties conducted significant investigation of the facts and law through informal discovery, which included review and analysis of Defendant’s policies and putative class members’ and Aggrieved Employees’ time records and payroll records. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff’s claims, the defenses thereto, and the damages and penalties claimed by Plaintiff in the Action. As a result of the Parties’ thorough investigation of the allegations and defenses thereto, they were able to reach an agreement for a global settlement after extensive negotiations.

Given the risks and uncertainties of litigation, the Parties have agreed to settle this Action on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is intended solely to allow the Parties to buy their peace and resolve the disputed claims asserted in this Action.

1. Certification for Settlement Purposes.

For the purposes of this Settlement Agreement only, the Parties stipulate to conditional certification of the following Settlement Class (hereinafter, the “**Settlement Class**” or “**Settlement Class Members**”):

All current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024 (“**Class Period**”).

2. Aggrieved Employees.

For the purposes of this Settlement Agreement only, the Parties stipulate that the “**Aggrieved Employees**” shall be defined as:

All current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of May 24, 2022, through June 23, 2024 (the “**PAGA Period**”).

3. Releases.

- A. **Released Parties.** As referenced herein, **Released Parties** shall collectively mean: Defendant Knowles Security, Inc., and its respective past and present officers, directors, and shareholders.
- B. **Releases Effective Upon Full Payment of the GSA.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the individual Participating Member Payments, Plaintiff, Participating Settlement Class Members, and Aggrieved Employees will release claims against all Released Parties as described below.
- C. **Released Class Claims.** All Settlement Class Members who do not opt out of the settlement (collectively, “**Participating Settlement Class Members**”) on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties, from all claims pled based on the factual allegations in the Action during the Class Period, including: (a) minimum wage violations; (b) failure to pay all overtime wages; (c) rest period violations; (d) waiting time penalties; (e) wage statement violations; (f) unfair competition; and (h) meal period violations.
- D. **Released PAGA Claims.** Aggrieved Employees, regardless of whether they opt out of the Settlement Class, will release and discharge the Released Parties from all claims for PAGA civil penalties that were alleged based on facts pled in the Action for alleged Labor Code violations that arose during the PAGA Period.
- E. **Plaintiff’s Release of Unknown Claims.** In light of his Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Class and PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers compensation claims or any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that he is, as a result,

waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

4. **Settlement Payment.** In exchange for the releases set forth in this Settlement Agreement, Defendant agrees to pay a common fund of Four Hundred Fifty Thousand Dollars and Zero Cents (\$450,000.00) (“**Gross Settlement Amount**” or “**GSA**”) in full and complete settlement of this matter. Besides the triggering of the escalator clause pursuant to paragraph 4(D) of this Settlement Agreement and Defendant’s payment of its share of payroll taxes pursuant to paragraph 4(C) of this Settlement Agreement, in no event shall Defendant be required to pay more than the GSA. The GSA shall be paid as follows:

- A. **Funding and Disbursement of the Gross Settlement Amount.** The GSA shall be deposited with the Settlement Administrator in three (3) installments as follows: (1) Defendant shall make the first installment of \$100,000.00 within seven (7) days of Preliminary Approval; (2) Defendant shall make an additional payment of \$175,000.00 within twenty-eight (28) days of the date of **Final Approval** (which, for this purpose, shall be defined as the date on which the Court enters an Order granting Final Approval, or solely in the event that there are any objections to the settlement, the filing of an objection being a prerequisite to the filing of an appeal, the later of: (i) the last date on which any appeal might be filed, or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review); and (3) Defendant shall make the remaining payment of \$175,000.00 within six (6) months of the date of Final Approval, unless Final Approval is granted on or after April 4, 2025, in which case all outstanding payments will be made within twenty-eight (28) days of Final Approval. The Settlement Administrator shall disburse Plaintiff’s Class Representative Enhancement Payment, Class Counsel’s litigation costs and expenses, and sixty percent (60%) of Class Counsel’s attorneys’ fees within fifteen (15) days of Final Approval. Disbursement of all other portions of the Maximum Settlement Amount, including the remaining forty percent (40%) of Class Counsel’s attorneys’ fees, shall be made within fifteen (15) days of the final installment payment. The Settlement Administrator shall hold all portions of the Maximum Settlement Amount in an interest-bearing account for the benefit of the Settlement Class until the time for disbursement as called for in this Settlement Agreement.
- B. **Non-revisionary.** This is a non-reversionary settlement. The Gross Settlement Amount includes:
- i. All payments to the Aggrieved Employees and Settlement Class;
 - ii. **Settlement Administrator.** All fees and expenses of the settlement administrator associated with the administration of the settlement, which are anticipated to be

no greater than Eight Thousand Nine Hundred Ninety Dollars and Zero Cents (\$8,990.00). The Parties agree to the appointment of Apex Class Action Administration as the settlement administrator (“**Settlement Administrator**”) and to Class Counsel seeking Court approval to pay up to Eight Thousand Nine Hundred Ninety Dollars and Zero Cents (\$8,990.00) from the Gross Settlement Amount for the Settlement Administrator’s services. The Settlement Administrator shall be responsible for sending all required notices in both English and Spanish, providing written reports to Class Counsel and Defense Counsel that, among other things, tally the number of Notices mailed or re-mailed, Notices returned undelivered, Requests for Exclusion, objections and disputes received from Settlement Class Members, calculating the Net Settlement Amount, calculating each Settlement Class Member’s and Aggrieved Employees’ Participating Member Payment, defined below, amount, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Paragraph 5(C), and providing declarations regarding the Settlement Administrator’s background and services for Preliminary Approval, attesting to its due diligence and compliance with all of its obligations under this Agreement for Final Approval, and a final report detailing disbursement of the Gross Settlement Amount in compliance with the Final Approval Order. The Settlement Administrator shall also create a static URL to post key settlement documents including this Settlement, the operative complaint, the preliminary approval order, final approval order, and final judgment. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after checks have been mailed to all Aggrieved Employees and Participating Settlement Class Members (collectively “**Participating Members**”). Any funds allocated to the Settlement Administrator but not paid shall be distributed to Participating Members on a pro-rata basis;

- iii. Class Representative Service Award. Up to Five Thousand Dollars (\$5,000.00) for a class representative service award to Plaintiff subject to Court approval, in recognition of Plaintiff’s general release of claims, contributions to the Action, and service to the Settlement Class. Defendant will not object to a request for a Class Representative Service Award for Plaintiff in exchange for the general release of his claims and waiver of Civil Code Section 1542, his time and risks in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff’s Participating Member Payment (defined below) as a Participating Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Class Representative Service Award to the Plaintiff is for his services in connection with this Action and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Class Representative Service Award and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Class Representative Service Award does not represent wages, the Internal Revenue Service, the California

Franchise Tax Board, or some other taxing authority may take the position that some or all of the Class Representative Service Award constitutes wages for income tax and withholding purposes. Plaintiff agrees to assume all responsibility for remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendant from the Class Representative Service Award paid under this Settlement Agreement, and all liability associated therewith. In the event that the Court reduces or does not approve the requested Class Representative Service Award, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;

- iv. Class Counsel Fees and Costs. Up to thirty-five percent (35%) of the Gross Settlement Amount in attorneys' fees, which is currently estimated to be One Hundred Fifty-Seven Thousand, Five Hundred Dollars (\$157,500.00), plus up to Twenty-Five Thousand Dollars (\$25,000.00) in verified costs and expenses related to the Action as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding. If the Gross Settlement Amount increases pursuant to Paragraph 4(D), the amount of fees requested by Class Counsel will increase proportionally such that the requested award is thirty-five percent of the GSA. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court; and
- v. PAGA Penalties. Ten Thousand Dollars (\$10,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars (\$7,500.00) will be payable to the Labor & Workforce Development Agency ("**LWDA Payment**"), and the remaining twenty-five percent (25%), or Two Thousand Five Hundred Dollars (\$2,500.00) will be payable to the Aggrieved Employees as the "**PAGA Amount.**" The LWDA Payment and PAGA Amount are collectively referred to herein as the "**PAGA Penalties.**"

C. **Payroll Tax Payments.** Defendant's share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

D. **Class Escalator Clause.** Based on its records, Defendant estimates there are approximately 430 Settlement Class Members and approximately 18,000 Class Workweeks within the Class Period. If the actual number of Class Workweeks released by this Settlement is greater than 5% of this estimate (i.e., increase by more than 900 Class Workweeks), then Defendant has the option to either (1) agree to increase the Gross Settlement Amount on a pro-rata basis equal to the increase in number of Class Workweeks (e.g., if the number of Class Workweeks increases by 11%, the GSA will increase by 11%); or (2) elect to end the Class Period on an earlier date at the Defendant's discretion in order to limit the number of Class Workweeks released to no more than 18,000 in lieu of paying an increase to the Gross Settlement Amount.

A "Class Workweek" shall be any calendar week in which the Settlement Class Member worked at least one shift performing work for Defendant during the Class Period based on Defendant's records.

A "PAGA Pay Period" shall be any calendar week in which Aggrieved Employees worked at least one shift performing work for during the PAGA Period based on Defendant's records.

5. **Participating Member Payment Procedures.** Participating Settlement Class Members and Aggrieved Employees (collectively, "**Participating Members**") are not required to submit a claim form to receive their share of the Settlement ("**Participating Member Payment**"). Participating Member Payments will be determined and paid as follows:

A. **Net Settlement Amount:** The Net Settlement Amount is the Gross Settlement Amount after the following deductions are made: (a) all costs of settlement administration; (b) Class Representative Service Award to Plaintiff; (c) the LWDA Payment; and (d) costs and attorneys' fees for Class Counsel. The Net Settlement Amount shall be available for Participating Members. From the Net Settlement Amount, the Settlement Administrator will calculate each Participating Member Payment based on the following formula:

- i. **PAGA Amount.** Each Aggrieved Employee shall receive a portion of the Two Thousand Five Hundred Dollars (\$2,500.00) that has been designated as the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's PAGA Pay Periods, and the denominator of which is the total PAGA Pay Periods of all Aggrieved Employees.
- ii. **Remainder.** The remainder of the Net Settlement Amount shall be distributed to each Participating Settlement Class Member based on their proportionate share of Class Workweeks, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class Member's Class Workweeks, and the denominator of which is the total Class Workweeks of all Participating Settlement Class Members.

B. **Participating Member Payment Tax Treatment.** For purposes of calculating applicable taxes and withholdings for the payment to Participating Members described in Paragraph 5(A)(ii), twenty percent (20%) of each such payment shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining eighty percent (80%) of each such payment shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Additionally, 100% of the PAGA Amount paid to Aggrieved Employees shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of these payments to each Participating Member above, none of the Participating Member Payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

C. **Deadline to Negotiate Participating Member Payment.** Each Participating Member who receives a Participating Member Payment must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Participating Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued, except for good cause and as mutually agreed by the Parties in writing. If a Participating Member does not cash his or her settlement check within 180 days, the uncashed funds, subject to Court approval, shall be transferred by the Settlement Administrator to the Boys & Girls Clubs of Central Orange Coast, as the designated *cy pres*.

D. Defendant shall be deemed to have fully discharged its obligations to each Participating Member when the Settlement Administrator mails each Participating Member a settlement check, regardless of whether such checks are actually received and/or negotiated by Participating Members. Neither Plaintiff, Defendant, nor their respective counsel shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by his, her, or its own acts of omission or commission, the same is true for the Settlement Administrator.

6. **Preliminary Approval.** Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Daniel J. Brown and Jessica Flores of Stansbury Brown Law, PC as Class Counsel;
- C. Appointing Alexis Morales as the Class Representative for the Settlement Class;
- D. Approving Apex Class Action Administration as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

- F. Approving the form and content of the Class Notice Packet (comprised of the Class Notice, Objection Form, and Exclusion Form) and directing the mailing of same in English and Spanish;
 - G. Scheduling a Final Approval hearing;
 - H. Plaintiff shall submit the proposed settlement to the Labor Workforce Development Agency (“LWDA”) pursuant to Labor Code § 2699(1)(2). Proof of this submission will be provided to the Court and to Defendant’s counsel; and
 - I. If Final Approval is granted, Plaintiff shall submit a copy of the Superior Court’s judgment to the LWDA after entry of the judgment or order, pursuant to Labor Code § 2699(1)(3).
7. **Notice Procedures.** Following preliminary approval, Settlement Class Members and Aggrieved Employees shall be notified as follows:
- A. Within fourteen (14) days after entry of an order preliminarily approving this Settlement Agreement, Defendant will provide the Settlement Administrator with a class list (in electronic format) including the full names, last known addresses, social security numbers, dates of employment, Class Workweeks and PAGA Pay Periods for each Aggrieved Employee and Settlement Class Member.
 - B. Within seven (7) days from receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Settlement Class Members and Aggrieved Employees through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members and Aggrieved Employees; (ii) update the addresses of any Settlement Class Member or Aggrieved Employee for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class Member or Aggrieved Employee in English and Spanish at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
 - C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member or Aggrieved Employee immediately, and in any event within three (3) business days of obtaining the updated address. Settlement Class Members that have notices remailed will have 60 days from the date of remailing to request exclusion from or to object to the Settlement [and to dispute the number of Class or PAGA Workweeks stated in their Class Notice.](#)

D. **Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail or fax a Request for Exclusion Form (defined below) to the Settlement Administrator within sixty (60) days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).

- i. The Request for Exclusion must: (1) contain the name and address, telephone number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the class settlement; (3) be signed by the Settlement Class Member; and (4) be faxed or postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion fails to comply with items (1), (2), or (4), it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion not containing a Settlement Class Member’s telephone number will be deemed valid. The date of the postmark on the Request for Exclusion, shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to their share of the PAGA Amount) or have any right to object, intervene, appeal, or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion is automatically deemed a Participating Settlement Class Member.

E. **Objections.** Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant’s counsel as well as filing them with the Court). Defendant’s counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant’s counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class Member’s full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) absent good cause found by the Court objections must be postmarked on or before the Response Deadline. Members of the Settlement Class May also appear in person at the Final Approval Hearing to object to the Settlement.

F. **Challenges to Participating Member Payment Calculations.** Each Notice Packet mailed to a Settlement Class Member or Aggrieved Employee shall disclose the amount of the Settlement Class Member’s or Aggrieved Employee’s estimated Participating Member Payment as well as all of the information that was used from Defendant’s records in order to calculate the Participating Member Payment, including the number of Class Workweeks and the number of PAGA Pay Periods. Settlement Class Members

and Aggrieved Employees will have the opportunity, should they disagree with Defendant's records regarding the number of Class Workweeks and PAGA Pay Periods stated in their Notice Packet, to challenge the data provided. In order to challenge Defendant's data, the Settlement Class Member or Aggrieved Employee must provide documentation and/or an explanation demonstrating that Defendant's data is incorrect and evidencing the correct number of Class Workweeks and/or PAGA Pay Periods that the Settlement Class Member or Aggrieved Employee believes they should have been credited with and/or evidence of the correct date their employment ended. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) days of receipt.

G. **Dispute Resolution.** The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of Settlement Class Member's or Aggrieved Employee's Participating Member Payment, the allocation of W-2 wages, and the number of Class Workweeks and PAGA Pay Periods. Where the information submitted by Defendant from its records differ from the information submitted by the Settlement Class Member or Aggrieved Employee, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and Defendant's counsel to discuss and resolve the dispute. In advance of the conference call, the Settlement Administrator shall email copies of all available information to all counsel. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for an amount of any Participating Member Payment. Such determination shall be binding upon the Settlement Class Member, Aggrieved Employee, and the Parties.

8. **Final Approval Process.** Following preliminary approval and the close of the Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Class Representative Service Award, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the PAGA Penalties; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

9. **Court's Continued Jurisdiction.** Pursuant to Section 664.6 of the California Code of Civil Procedure and California Rule of Court 3.769(h), the Court will retain jurisdiction to enforce the Settlement and any Final Order and Judgment.

Formatted: Font: Not Bold, No underline

Formatted: Indent: Left: 0.25", No bullets or numbering

10. **Non-Admission.** Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Action, and that but for this settlement a class should not be certified in this Action. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code section 1152.
11. **No Public Comment:** The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.
12. **Amendments or Modifications.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties or their representatives, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.
13. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses of the Parties' representatives set forth below, or such other addresses as the Parties may designate in writing from time to time:

If to Defendant: Roxana E. Verano, Esq.
Joseph P. Sklar, Esq.
LANDEGGER VERANO & DAVIS, ALC
15760 Ventura Boulevard, Suite 1200
Encino, CA 91436
roxana@landeggeresq.com
joseph@landeggeresq.com

If to Plaintiff: Daniel J. Brown, Esq.
Jessica Flores, Esq.
STANSBURY BROWN LAW, PC
2610 ½ Abbot Kinney Blvd.
Venice, CA 90291
dbrown@stansburybrownlaw.com
jflores@stansburybrownlaw.com

Formatted: English (US)

Formatted: English (US)

14. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations,

presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

15. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.
16. **Failure to Obtain Final Approval.** If the court fails to grant either preliminary or final approval, the Parties shall be restored to their positions at the time of the execution of this memorandum, which shall include but not be limited to, all funds paid by Defendant shall be returned to Defendant, with the exception that if any settlement administration costs are due and payable, Defendant shall pay those costs.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

Date: _____

Alexis Morales, Plaintiff

Date: _____

Joe Zuniga, Chief Executive Officer
Defendant Knowles Security, Inc.

Approved as to form:

Date: _____

LANDEGGER VERANO & DAVIS, ALC

Roxana E. Verano
Joseph P. Sklar
Counsel for Defendant

Date: _____

STANSBURY BROWN LAW, PC

Daniel J. Brown
Counsel for Plaintiff and the Settlement
Class

EXHIBIT C



Superior Court of California of Orange County

Alexis Morales v. Knowles Security, Inc.

Case No. 30-2023-01330854-CU-OE-CXC

Class Action Notice

Authorized by the Superior Court of Orange County

Do you or did you work for Knowles Security, Inc. between June 9, 2019 and June 23, 2024 as a non-exempt employee?

There is a \$450,000 settlement of a lawsuit.

You may be entitled to money.

To be part of this settlement, you should:

Read this notice.

Respond by [date].

Important things to know:

- If you take no action, you will be bound by the settlement, and your rights will be affected.
- You can learn more at: [Settlement Administrator URL].

Table of Contents

Table of Contents	2
About This Notice	2
Why did I get this notice?	3
What do I do next?	3
What are the most important dates?	4
Learning About the Lawsuit	4
What is this lawsuit about?	4
Why is there a settlement in this lawsuit?	5
What happens next in this lawsuit?	5
Learning About the Settlement.....	6
What does the settlement provide?	6
How do I know if I am part of this settlement?.....	8
How much will my payment be?	8
How do I get a payment if I am a class member?	9
Do I have a lawyer in this lawsuit?	9
Do I have to pay the attorneys in this lawsuit?	10
Opting Out	10
What if I don't want to be part of this settlement?.....	10
How do I opt out?	10
Objection or Dispute	11
What if I disagree with the settlement?	11
Key Resources	12
How do I get more information?	12
Reminder as to Time Limits	14

About This Notice

Why did I get this notice?

This notice is to tell you about the settlement of a class action lawsuit. Specifically, the Court has granted preliminary approval of a proposed settlement (the “Settlement”) in the matter of *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC (the “Action”). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully. The Action was brought on behalf of current and former non-exempt employees of Defendant Knowles Security, Inc. (“Defendant”) who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024.

You may be entitled to money from this Settlement. The records of Defendant Knowles Security, Inc., (“Defendant”), show that you were employed by Defendant as a non-exempt employee in California at any time between June 9, 2019, and June 23, 2024. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment. This notice helps class members make decisions about what action to take.

What do I do next?

Read this notice to understand the Settlement and to determine if you are a class member. Then, decide which of these actions you want to take:

Options	What each option means:
Do Nothing	If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of Class Workweeks worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period, as stated in this Notice. You also will be bound by the Settlement, including the release of claims stated above.
Opt Out of the Settlement	If you opt out by submitting a timely Request for Exclusion, then you will not be a Settlement Class Member and you will not receive any portion of the class settlement. This allows you to bring another lawsuit against Knowles Security, Inc. about the same issues. However, you will not be able to opt out of the PAGA portion and release. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the

	PAGA Amount regardless of their decision to opt out of the class settlement.
Object to the Settlement	Tell the Settlement Administrator why you don't like the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement.
Dispute the Participating Member Payment	Your Participating Member Payment is based on the proportionate number of Class Workweeks you worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period as listed below. If you disagree with the information listed below, you may tell the Settlement Administrator so that the Settlement Administrator can determine whether any adjustment needs to be made.

Read on to understand the specifics of the settlement and what each choice would mean for you.

What are the most important dates?

Your deadline to object or opt out: **[date]**

Settlement approval hearing: **[date]**

Your deadline to mail or fax a Request for Exclusion, a written objection or any dispute is: **[date]**

Learning About the Lawsuit

What is this lawsuit about?

Alexis Morales brought this Action against Defendant on behalf of himself, the State of California, and Defendant's other current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024. Plaintiff is known as the "Class Representative" and his attorneys, who also represent the interests of all Class Members, are known as "Class Counsel."

The Action alleges that Defendant: (i) failed to pay employees all earned wages; (ii) failed to pay all overtime wages; (iii) failed to provide all legally required meal periods; (iv) failed to provide all legally required rest periods; (v) failed to timely pay all wages due or final wages due upon separation of employment; (vi) failed to provide accurate and itemized wage statements; and (vii) engaged in unfair competition as a result of the above-mentioned alleged violations. The Action further alleges that Defendant is liable for civil penalties under the California Labor Code Private Attorneys General Act ("PAGA") to Plaintiff, the State of California, and all of their non-exempt

Where can I learn more?

You can get a complete copy of the proposed settlement and other key documents in this lawsuit at:

[Settlement Admin URL]

employees who worked for Defendant during the PAGA Period (defined below) (“Aggrieved Employees”).

Defendant denies that it has done anything wrong. Defendant also denies that it owes Class Members or Aggrieved Employees any wages, restitution, statutory or civil penalties, damages, or any other remedies.

Why is there a settlement in this lawsuit?

In August 2024, the parties agreed to settle, which means they have reached an agreement to resolve the lawsuit. Both sides want to avoid the cost and risk of continuing the case in court.

The settlement is for the workers who brought the case and all members of the settlement class. The Court has not decided this case in favor of either side.

The Settlement is a compromise of disputed claims and should not be considered an admission of liability on the part of Defendant, by whom all liability is expressly denied.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of the Court not allowing the case to proceed as a class action, the risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

The Court has not ruled on the merits of the claims alleged in the Action. In granting preliminary approval of the Settlement, the Court has determined only that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable. A final determination on whether the Settlement is fair, adequate, and reasonable will be made at the Final Approval hearing.

Your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant’s policies strictly prohibit unlawful retaliation. Defendant will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member or Aggrieved Employees because of his or her decision to either participate or not participate in the Settlement.

What is a class action settlement?

A class action settlement is an agreement between the parties to resolve and end the case. Settlements can provide money to class members and changes to the practices that caused the harm.

What happens next in this lawsuit?

The Court will hold a Final Approval Hearing to decide on the adequacy, reasonableness, and fairness of the Settlement and whether to approve the Settlement. The hearing will be held at:

Where: Orange County Superior Court, Department CX102, 751 W. Santa Ana Blvd., Santa Ana, California 92701.

When: [time] on [date].

The Court has directed the parties to send you this notice about the proposed settlement. Because the settlement of a class action decides the rights of all members of the proposed class, the Court must give final approval to the settlement before it can take effect. Payments will only be made if the Court approves the settlement.

You don't have to attend the hearing, but you may at your own expense. You may also ask the Court for permission to speak and express your opinion about the settlement. If the Court does not approve the settlement or the parties decide to end it, it will not take effect and the lawsuit will continue. The date of the hearing may change without further notice to members of the class. To learn more and confirm the hearing date, go to [\[Settlement Administrator URL\]](#).

Learning About the Settlement

What does the settlement provide?

Knowles Security, Inc. has agreed to pay \$450,000 (the "Gross Settlement Amount" or "GSA") to fully resolve all claims in the Action. This money will be divided among the Class Members who do not opt-out of the Settlement ("Settlement Class Members"), Aggrieved Employees, the State of California and will also be used to pay for costs and Class Counsel fees, for the Class Representative Service Award, and for the cost of administering this settlement approved by the Court. As described below, Settlement Class Members will "release" their claims as part of the Settlement, which means they cannot sue Knowles Security, Inc. for the same issues and legal violations raised in this lawsuit. The full terms of the release can be found at [\[Settlement Administrator URL\]](#).

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Attorneys' Fees and Expenses. Class Counsel has been prosecuting the Action on behalf of Class Members and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Class Members and Aggrieved Employees are not personally responsible for any

of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to thirty-five percent (35%) of the Gross Settlement Amount, which is currently estimated at \$157,500.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$25,000.00 in verified costs incurred in connection with the Action.

Settlement Administration Costs. The Court has approved Apex Class Action LLC to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$8,990.00 from the Gross Settlement Amount to pay the settlement administration costs. Additionally, the Settlement Administrator will calculate Defendant's share of the payroll taxes that will be paid in addition to the Gross Settlement Amount.

Class Representative Service Award. The settlement also provides \$5,000 to the worker who brought this lawsuit, Alexis Morales, to compensate him for his work on the case. This is called a "Class Representative Service Award."

Payment to State of California. The Parties have agreed to allocate \$10,000.00 towards the Settlement of the PAGA claims in the Action. \$7,500.00 will be paid to the State of California Labor and Workforce Development Agency ("LWDA"), representing its 75% share of the PAGA civil penalties ("LWDA Payment"). The remaining \$2,500.00 will be allocated to Aggrieved Employees who worked at least one shift during the PAGA Period (the "PAGA Amount").

Payment of the Settlement. If the Court grants final approval of the Settlement, Participating Member Payments will be mailed to all Aggrieved Employees for their portion of the PAGA Amount regardless of whether they make a request for exclusion from the class portion of the settlement. In addition, Settlement Class Members will receive additional compensation as part of their Participating Member Payments comprised of their portion of the Net Settlement Amount as described above.

If there is money left over after the claims and expenses are paid, it will be donated to the Boys & Girls Clubs of Central Orange Coast.

Allocation and Taxes. For tax purposes, each Participating Member Payment shall be treated as follows: 20% as "wages" subject to normal payroll withholdings, for which an IRS Form W-2 will be issued; and 80% as penalties and interest with no withholdings, for which an IRS Form 1099 will be issued. For Aggrieved Employees who opt out of the class portion of the settlement they would otherwise be entitled to, and receive only their portion of the PAGA Amount, 100% of the PAGA Amount shall be treated as penalties with no withholdings, for which an IRS Form 1099 will be issued. Participating Members are responsible for the proper income tax treatment of the Participating Member Payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Participating Members should consult with their tax advisors concerning the tax consequences and treatment of awards they receive under the

Settlement.

Released Parties. As referenced herein, Released Parties shall collectively mean: Defendant Knowles Security, Inc., and its respective past and present officers, directors, and shareholders.

Class Release. All Settlement Class Members who do not opt out of the settlement (collectively, “Participating Settlement Class Members”) on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties, from all claims pled based on the facts pled in the Action during the Class Period, including: (a) minimum wage violations; (b) failure to pay all overtime wages; (c) rest period violations; (d) waiting time penalties; (e) wage statement violations; (f) unfair competition; and (g) meal period violations.

PAGA Release. Aggrieved Employees who worked for Defendant at any time during the period of May 24, 2022, through June 23, 2024 (the “PAGA Period”), regardless of whether they opt out of the Settlement Class, will release and discharge the Released Parties from all claims for PAGA civil penalties that were alleged based on facts pled in the Action for alleged Labor Code violations that arose during the PAGA Period. **Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement**

How do I know if I am part of this settlement?

If you are receiving this notice, then Defendant’s records have identified you as an individual who is working and/or worked as a non-exempt employee for Knowles Security, Inc. at any time between June 9, 2019 and June 23, 2024 and you are part of this settlement.

If you are unsure of whether you are part of this settlement, contact the Settlement Administrator at [phone number].

How much will my payment be?

Your payment amount will depend on the following factors:

- Your length of service.
- Your number of Class Workweeks and PAGA Pay Periods worked.
- The amount of the Attorneys’ Fees, Costs, and Service Award payment approved by the Court.

Calculation of Participating Member Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the “Net Settlement Amount,” which will be distributed to all Settlement Class Members and Aggrieved Employees (collectively “Participating

Members”). The Net Settlement Amount is estimated at approximately \$246,010.00, and will be divided as follows:

- (i) **PAGA Amount.** Each Aggrieved Employee shall receive a portion of the \$2,500.00 that has been designated as the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee’s PAGA Pay Periods, and the denominator which is the total PAGA Pay Periods of all Aggrieved Employees. A “PAGA Pay Period” is any calendar week in which an Aggrieved Employee worked at least one shift performing work for Defendant during the PAGA Period between May 24, 2022, and June 23, 2024 based on Defendant’s records.
- (ii) The remainder of the Net Settlement Amount shall be distributed to each Participating Settlement Class Member based on their proportionate share of Class Workweeks by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class Member’s Class Workweeks, and the denominator of which is the total Class Workweeks of all Participating Settlement Class Members. A “Class Workweek” is any is any calendar week in which a Settlement Class Member worked at least one shift for Defendant during the Class Period based on Defendant’s records.

See also “Objection or Dispute” below.

How do I get a payment if I am a class member?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of Class Workweeks worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period, as stated in this Notice. You also will be bound by the Settlement, including the release of claims stated above.

Do I have a lawyer in this lawsuit?

In a class action, the court appoints lawyers to work on the case and represent the interests of all the class members. For this settlement, the Court has appointed the following lawyers.

Your lawyers/Class Counsel:
STANSBURY BROWN LAW, PC
Daniel J. Brown
dbrown@stansburybrownlaw.com
Jessica Flores
jflores@stansburybrownlaw.com

2610 ½ Abbot Kinney Blvd.
Venice, California 90291
www.stansburybrownlaw.com

These are the lawyers who negotiated this settlement on your behalf.

If you want to be represented by your own lawyer, you may hire one at your own expense.

Do I have to pay the attorneys in this lawsuit?

Attorneys' fees and costs will be paid from the Gross Settlement Amount. Class Members and Aggrieved Employees are not personally responsible for any of Class Counsel's attorneys' fees or expenses. **You will not have to pay the lawyers directly.**

Attorneys' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the attorneys' fees even if you think the settlement terms are fair.

Opting Out

What if I don't want to be part of this settlement?

If you do not wish to take part in the Settlement, you may opt out from the class portion of the Settlement. However, you may not opt out of the PAGA portion of the Settlement and release as described above. If you do opt out from the class portion, you will not receive any portion of the class settlement and cannot object to the Settlement. However, you will not be bound or affected by the class portion of the Settlement and may be able to file your own case. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the PAGA Amount regardless of their decision to opt out of the class settlement.

How do I opt out?

If you do not wish to take part in the Settlement, you may exclude yourself from the class portion of the settlement by mailing or faxing the enclosed Request for Exclusion Form or a letter requesting exclusion to the Settlement Administrator postmarked no later than **Response Deadline** with your name, address, telephone number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator:

[Settlement Administrator]
[Street address]

[City, State, Zip Code]
[Phone No.]
[Fax No.]

Any person who submits a timely Request for Exclusion, shall, upon receipt by the Settlement Administrator, not be a Settlement Class Member and will not receive any portion of the class settlement. However, the person may not opt out of the PAGA portion of the settlement and release as described above. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the PAGA Amount regardless of their decision to opt out of the class settlement.

Objection or Dispute

What if I disagree with the settlement?

Dispute Information In This Notice. Your Participating Member Payment is based on the proportionate number of Class Workweeks you worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period. The information contained in Defendant's records regarding each of these factors, along with your estimated Participating Member Payment, is listed below. If you disagree with the information listed below, you may mail or fax a dispute, along with any supporting documentation, to **Settlement Administrator Address And Fax No.** Any Disputes, Along With Supporting Documentation, Must Be Postmarked No Later Than **Response Deadline**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Settlement Administrator will determine whether any adjustments are warranted, and if so, will consult with the Parties and make a determination as to whether an adjustment will be made.

According to Defendant's records:

- (a) you worked for Defendant in California from [redacted] to [redacted];
- (b) you worked [redacted] Class Workweeks during the Class Period; and
- (c) you worked [redacted] PAGA Pay Periods during the PAGA Period.

Based on the above, your Participating Member Payment is estimated at \$ [redacted].

Objecting to the Settlement. If you disagree with any part of the settlement (including the attorneys' fees) but don't want to opt out, you may object. You must give reasons why you think the Court should not approve the settlement and say

whether your objection applies to just you, a part of the class, or the entire class. The Court will consider your views. The Court can only approve or deny the settlement — it cannot change the terms of the settlement. You may, but don't have to, hire your own lawyer to help you. If the Court rejects your objection, you will still be bound by the terms of the Settlement.

To object, you must complete and send the enclosed objection form or a letter to the Settlement Administrator that:

- (1) is postmarked by [date];
- (2) includes the case name and number *Alexis Morales v. Knowles Security, Inc.*; Case No.: 30-2023-01330854-CU-OE-CXC
- (3) includes your full name, address and telephone number, and email address (if you have one);
- (4) includes all objections and the factual and legal bases for same;
- (5) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence;
- (6) says whether either you or your lawyer intend to appear at the final approval hearing and your lawyer's name;
- (7) your signature.

Mail or fax the letter to:

[Settlement Administrator]
[Street address]
[City, State, Zip Code]
[Phone No.]
[Fax No.]

You may also object by appearing at the Final Approval Hearing scheduled for **Final Approval Hearing Date/Time** in Department CX102 of Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701. You have the right to appear either in person or through your own attorney at this hearing, although you do not need to appear at the Final Approval Hearing for your objection to be considered. All objections or other correspondence must state the name and number of the case, which is *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

Key Resources

How do I get more information?

This notice is a summary of the Action and the Settlement. The complete settlement

with all its terms can be found [Settlement Administrator URL]. To get a copy of the settlement agreement or get answers to your questions:

- contact counsel for the Plaintiff, Class, and Aggrieved Employees or counsel for Defendant Knowles Security, Inc.
- visit the case website at [Settlement Administrator URL] or contact the Settlement Administrator at [Settlement Administrator Phone Number].
- access the Court's online civil case access page at <https://www.occourts.org/online-services/case-access> and enter the case number information. The Settlement Agreement is attached as Exhibit A to the Declaration of Daniel J. Brown In Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement, filed on [Preliminary Approval Motion Filing Date]
- inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, during regular court hours.

Resource	Contact Information
Case website	[Settlement Administrator URL]
Settlement Administrator	[Settlement Administrator] [Street address] [City, State, Zip Code] [Phone Number]
Attorneys for the Plaintiff, Class, and Aggrieved Employees	STANSBURY BROWN LAW, PC Daniel J. Brown dbrown@stansburybrownlaw.com Jessica Flores jflores@stansburybrownlaw.com 2610 ½ Abbot Kinney Blvd. Venice, California 90291 www.stansburybrownlaw.com
Attorneys for Defendant Knowles Security, Inc.	LANDEGGER VERANO & DAVIS, ALC Roxana E. Verano, Esq. roxana@landeggeresq.com Joseph P. Sklar, Esq. joseph@landeggeresq.com 15760 Ventura Blvd., Suite 1200 Encino, California 91436 www.landeggeresq.com

Court (DO NOT CONTACT)	Superior Court of Orange County 751 W. Santa Ana Blvd. Santa Ana, California 92701
-------------------------------	--

Reminder as to Time Limits

The deadline to mail or fax a Request for Exclusion, a written objection, or any dispute is **Response Deadline**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON **Preliminary Approval Date.**

EXHIBIT D

REQUEST FOR EXCLUSION FORM

Alexis Morales v. Knowles Security, Inc.

Orange County Superior Court

Case No.: 30-2023-01330854-CU-OE-CXC

IF YOU **DO NOT** WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MAY **COMPLETE, SIGN AND MAIL OR FAX** THIS FORM, POSTMARKED OR FAXED ON OR BEFORE **[INSERT DATE]**, ADDRESSED AS FOLLOWS:

APEX CLASS ACTION LLC
Alexis Morales v. Knowles Security, Inc.
CLASS ACTION ADMINISTRATOR

ADDRESS
ADDRESS
PHONE
FAX

DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A PORTION OF THE NET SETTLEMENT FUND UNDER THE SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I **do not** want to be part of the Settlement Class in the lawsuit entitled *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *ALEXIS MORALES v. KNOWLES SECURITY, INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE NET SETTLEMENT AMOUNT AS PART OF THE SETTLEMENT OF THIS LAWSUIT. I WILL NOT BE RELEASING ANY CLASS CLAIMS AND WILL RETAIN THE RIGHT TO SUE DEFENDANT ON MY OWN BEHALF. I ALSO UNDERSTAND THAT THIS EXCLUSION DOES NOT APPLY TO THE PAGA PORTION OF THE SETTLEMENT, WHICH IS EFFECTIVE WHETHER OR NOT I CASH THE CHECK FOR THE PAGA PORTION OF THE SETTLEMENT IF I RECEIVE ONE.

Name

Address

Date

Signature

EXHIBIT E

OBJECTION FORM
Alexis Morales v. Knowles Security, Inc.
Orange County Superior Court
Case No.: 30-2023-01330854-CU-OE-CXC

All objections must be mailed, faxed, or delivered to the Settlement Administrator, Apex Class Action LLC, Inc. at <<INSERT ADMINISTRATOR CONTACT INFO>> on or before <<RESPONSE DEADLINE>>. All objections must be postmarked, faxed, or delivered on or before <<RESPONSE DEADLINE>>.

Objecting Settlement Class Member Information:

Name Telephone Number

Address

Email Address

Date Signature

Do you and/or your lawyer intend to appear at the Final Approval hearing on <<Hearing Date>>? If your lawyer will attend, please provide your lawyer's name.

Describe the Factual and/or Legal Basis of Each Objection and Please Attach Additional Pages if Necessary. Please also attach any and all supporting papers, briefs, written evidence, declarations, and/or other evidence

EXHIBIT F



Superior Court of California of Orange County

Alexis Morales v. Knowles Security, Inc.

Case No. 30-2023-01330854-CU-OE-CXC

Class Action Notice

Authorized by the Superior Court of Orange County

Do you or did you work for Knowles Security, Inc. between June 9, 2019 and June 23, 2024 as a non-exempt employee?

There is a \$450,000 settlement of a lawsuit.

You may be entitled to money.

To be part of this settlement, you should:

Read this notice.

Respond by **[date]**.

Important things to know:

- If you take no action, you will be bound by the settlement, and your rights will be affected.
- You can learn more at: **[Settlement Administrator URL]**.

Table of Contents

Table of Contents	2
About This Notice	2
Why did I get this notice?	3
What do I do next?	3
What are the most important dates?	4
Learning About the Lawsuit	4
What is this lawsuit about?	4
Why is there a settlement in this lawsuit?	5
What happens next in this lawsuit?	5
Learning About the Settlement	6
What does the settlement provide?	6
How do I know if I am part of this settlement?	8
How much will my payment be?	8
How do I get a payment if I am a class member?	9
Do I have a lawyer in this lawsuit?	9
Do I have to pay the attorneys in this lawsuit?	10
Opting Out	10
What if I don't want to be part of this settlement?	10
How do I opt out?	10
Objection or Dispute	11
What if I disagree with the settlement?	11
Key Resources	12
How do I get more information?	12
Reminder as to Time Limits	14

Deleted: 2

Deleted: 13

About This Notice

Why did I get this notice?

This notice is to tell you about the settlement of a class action lawsuit. Specifically, the Court has granted preliminary approval of a proposed settlement (the “Settlement”) in the matter of *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC (the “Action”). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully. The Action was brought on behalf of current and former non-exempt employees of Defendant Knowles Security, Inc. (“Defendant”) who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024.

You may be entitled to money from this Settlement. The records of Defendant Knowles Security, Inc., (“Defendant”), show that you were employed by Defendant as a non-exempt employee in California at any time between June 9, 2019, and June 23, 2024. The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment. This notice helps class members make decisions about what action to take.

What do I do next?

Read this notice to understand the Settlement and to determine if you are a class member. Then, decide which of these actions you want to take:

Options	What each option means:
Do Nothing	If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of Class Workweeks worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period, as stated in this Notice. You also will be bound by the Settlement, including the release of claims stated above.
Opt Out of the Settlement	If you opt out by submitting a timely Request for Exclusion, then you will not be a Settlement Class Member and you will not receive any portion of the class settlement. This allows you to bring another lawsuit against Knowles Security, Inc. about the same issues. However, you will not be able to opt out of the PAGA portion and release. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the

	PAGA Amount regardless of their decision to opt out of the class settlement.
Object to the Settlement	Tell the Settlement Administrator why you don't like the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement.
Dispute the Participating Member Payment	Your Participating Member Payment is based on the proportionate number of Class Workweeks you worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period as listed below. If you disagree with the information listed below, you may tell the Settlement Administrator so that the Settlement Administrator can determine whether any adjustment needs to be made.

Read on to understand the specifics of the settlement and what each choice would mean for you.

What are the most important dates?

Your deadline to object or opt out: **[date]**

Settlement approval hearing: **[date]**

Your deadline to mail or fax a Request for Exclusion, a written objection or any dispute is: **[date]**

Learning About the Lawsuit

What is this lawsuit about?

Alexis Morales brought this Action against Defendant on behalf of himself, the State of California, and Defendant's other current and former non-exempt employees of Defendant Knowles Security, Inc. who worked for Defendant at any time during the period of June 9, 2019, through June 23, 2024. Plaintiff is known as the "Class Representative" and his attorneys, who also represent the interests of all Class Members, are known as "Class Counsel."

The Action alleges that Defendant: (i) failed to pay employees all earned wages; (ii) failed to pay all overtime wages; (iii) failed to provide all legally required meal periods; (iv) failed to provide all legally required rest periods; (v) failed to timely pay all wages due or final wages due upon separation of employment; (vi) failed to provide accurate and itemized wage statements; and (vii) engaged in unfair competition as a result of the above-mentioned alleged violations. The Action further alleges that Defendant is liable for civil penalties under the California Labor Code Private Attorneys General Act ("PAGA") to Plaintiff, the State of California, and all of their non-exempt

Where can I learn more?

You can get a complete copy of the proposed settlement and other key documents in this lawsuit at:

[Settlement Admin URL]

employees who worked for Defendant during the PAGA Period (defined below) (“Aggrieved Employees”).

Defendant denies that it has done anything wrong. Defendant also denies that it owes Class Members or Aggrieved Employees any wages, restitution, statutory or civil penalties, damages, or any other remedies.

Why is there a settlement in this lawsuit?

In August 2024, the parties agreed to settle, which means they have reached an agreement to resolve the lawsuit. Both sides want to avoid the cost and risk of continuing the case in court.

The settlement is for the workers who brought the case and all members of the settlement class. The Court has not decided this case in favor of either side.

The Settlement is a compromise of disputed claims and should not be considered an admission of liability on the part of Defendant, by whom all liability is expressly denied.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of the Court not allowing the case to proceed as a class action, the risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

The Court has not ruled on the merits of the claims alleged in the Action. In granting preliminary approval of the Settlement, the Court has determined only that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable. A final determination on whether the Settlement is fair, adequate, and reasonable will be made at the Final Approval hearing.

Your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant’s policies strictly prohibit unlawful retaliation. Defendant will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member or Aggrieved Employees because of his or her decision to either participate or not participate in the Settlement.

What is a class action settlement?

A class action settlement is an agreement between the parties to resolve and end the case. Settlements can provide money to class members and changes to the practices that caused the harm.

What happens next in this lawsuit?

The Court will hold a Final Approval Hearing to decide on the adequacy, reasonableness, and fairness of the Settlement and whether to approve the Settlement. The hearing will be held at:

Where: Orange County Superior Court, Department [CX102](#), 751 W. Santa Ana Blvd., Santa Ana, California 92701.

Deleted: CX103

When: [time] on [date].

The Court has directed the parties to send you this notice about the proposed settlement. Because the settlement of a class action decides the rights of all members of the proposed class, the Court must give final approval to the settlement before it can take effect. Payments will only be made if the Court approves the settlement.

You don't have to attend the hearing, but you may at your own expense. You may also ask the Court for permission to speak and express your opinion about the settlement. If the Court does not approve the settlement or the parties decide to end it, it will not take effect and the lawsuit will continue. The date of the hearing may change without further notice to members of the class. To learn more and confirm the hearing date, go to [\[Settlement Administrator URL\]](#).

Learning About the Settlement

What does the settlement provide?

Knowles Security, Inc. has agreed to pay \$450,000 (the "Gross Settlement Amount" or "GSA") to fully resolve all claims in the Action. This money will be divided among the Class Members who do not opt-out of the Settlement ("Settlement Class Members"), Aggrieved Employees, the State of California and will also be used to pay for costs and Class Counsel fees, for the Class Representative Service Award, and for the cost of administering this settlement approved by the Court. As described below, Settlement Class Members will "release" their claims as part of the Settlement, which means they cannot sue Knowles Security, Inc. for the same issues and legal violations raised in this lawsuit. The full terms of the release can be found at [\[Settlement Administrator URL\]](#).

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Attorneys' Fees and Expenses. Class Counsel has been prosecuting the Action on behalf of Class Members and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Class Members and Aggrieved Employees are not personally responsible for any

of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to thirty-five percent (35%) of the Gross Settlement Amount, which is currently estimated at \$157,500.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$25,000.00 in verified costs incurred in connection with the Action.

Settlement Administration Costs. The Court has approved Apex Class Action LLC to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$8,990.00 from the Gross Settlement Amount to pay the settlement administration costs. Additionally, the Settlement Administrator will calculate Defendant's share of the payroll taxes that will be paid in addition to the Gross Settlement Amount.

Class Representative Service Award. The settlement also provides \$5,000 to the worker who brought this lawsuit, Alexis Morales, to compensate him for his work on the case. This is called a "Class Representative Service Award."

Payment to State of California. The Parties have agreed to allocate \$10,000.00 towards the Settlement of the PAGA claims in the Action. \$7,500.00 will be paid to the State of California Labor and Workforce Development Agency ("LWDA"), representing its 75% share of the PAGA civil penalties ("LWDA Payment"). The remaining \$2,500.00 will be allocated to Aggrieved Employees who worked at least one shift during the PAGA Period (the "PAGA Amount").

Payment of the Settlement. If the Court grants final approval of the Settlement, Participating Member Payments will be mailed to all Aggrieved Employees for their portion of the PAGA Amount regardless of whether they make a request for exclusion from the class portion of the settlement. In addition, Settlement Class Members will receive additional compensation as part of their Participating Member Payments comprised of their portion of the Net Settlement Amount as described above.

If there is money left over after the claims and expenses are paid, it will be donated to the Boys & Girls Clubs of Central Orange Coast.

Allocation and Taxes. For tax purposes, each Participating Member Payment shall be treated as follows: 20% as "wages" subject to normal payroll withholdings, for which an IRS Form W-2 will be issued; and 80% as penalties and interest with no withholdings, for which an IRS Form 1099 will be issued. For Aggrieved Employees who opt out of the class portion of the settlement they would otherwise be entitled to, and receive only their portion of the PAGA Amount, 100% of the PAGA Amount shall be treated as penalties with no withholdings, for which an IRS Form 1099 will be issued. Participating Members are responsible for the proper income tax treatment of the Participating Member Payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Participating Members should consult with their tax advisors concerning the tax consequences and treatment of awards they receive under the

Settlement.

Released Parties. As referenced herein, Released Parties shall collectively mean: Defendant Knowles Security, Inc., and its respective past and present officers, directors, and shareholders.

Class Release. All Settlement Class Members who do not opt out of the settlement (collectively, “Participating Settlement Class Members”) on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties, from all claims pled based on the facts pled in the Action during the Class Period, including: (a) minimum wage violations; (b) failure to pay all overtime wages; (c) rest period violations; (d) waiting time penalties; (e) wage statement violations; (f) unfair competition; and (g) meal period violations.

PAGA Release. Aggrieved Employees who worked for Defendant at any time during the period of May 24, 2022, through June 23, 2024 (the “PAGA Period”), regardless of whether they opt out of the Settlement Class, will release and discharge the Released Parties from all claims for PAGA civil penalties that were alleged based on facts pled in the Action for alleged Labor Code violations that arose during the PAGA Period. **Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement**

How do I know if I am part of this settlement?

If you are receiving this notice, then Defendant’s records have identified you as an individual who is working and/or worked as a non-exempt employee for Knowles Security, Inc. at any time between June 9, 2019 and June 23, 2024 and you are part of this settlement.

If you are unsure of whether you are part of this settlement, contact the Settlement Administrator at [phone number].

How much will my payment be?

Your payment amount will depend on the following factors:

- Your length of service.
- Your number of Class Workweeks and PAGA Pay Periods worked.
- The amount of the Attorneys’ Fees, Costs, and Service Award payment approved by the Court.

Calculation of Participating Member Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the “Net Settlement Amount,” which will be distributed to all Settlement Class Members and Aggrieved Employees (collectively “Participating

Members”). The Net Settlement Amount is estimated at approximately \$246,010.00, and will be divided as follows:

- (i) **PAGA Amount.** Each Aggrieved Employee shall receive a portion of the \$2,500.00 that has been designated as the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount based on their proportionate share of PAGA Pay Periods, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee’s PAGA Pay Periods, and the denominator which is the total PAGA Pay Periods of all Aggrieved Employees. A “PAGA Pay Period” is any calendar week in which an Aggrieved Employee worked at least one shift performing work for Defendant during the PAGA Period between May 24, 2022, and June 23, 2024 based on Defendant’s records.
- (ii) The remainder of the Net Settlement Amount shall be distributed to each Participating Settlement Class Member based on their proportionate share of Class Workweeks by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class Member’s Class Workweeks, and the denominator of which is the total Class Workweeks of all Participating Settlement Class Members. A “Class Workweek” is any is any calendar week in which a Settlement Class Member worked at least one shift for Defendant during the Class Period based on Defendant’s records.

See also “Objection or Dispute” below.

How do I get a payment if I am a class member?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of Class Workweeks worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period, as stated in this Notice. You also will be bound by the Settlement, including the release of claims stated above.

Do I have a lawyer in this lawsuit?

In a class action, the court appoints lawyers to work on the case and represent the interests of all the class members. For this settlement, the Court has appointed the following lawyers.

Your lawyers/Class Counsel:
STANSBURY BROWN LAW, PC
Daniel J. Brown
dbrown@stansburybrownlaw.com
Jessica Flores
jflores@stansburybrownlaw.com

2610 ½ Abbot Kinney Blvd.
Venice, California 90291
www.stansburybrownlaw.com

These are the lawyers who negotiated this settlement on your behalf.

If you want to be represented by your own lawyer, you may hire one at your own expense.

Do I have to pay the attorneys in this lawsuit?

Attorneys' fees and costs will be paid from the Gross Settlement Amount. Class Members and Aggrieved Employees are not personally responsible for any of Class Counsel's attorneys' fees or expenses. **You will not have to pay the lawyers directly.**

Attorneys' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the attorneys' fees even if you think the settlement terms are fair.

Opting Out

What if I don't want to be part of this settlement?

If you do not wish to take part in the Settlement, you may opt out from the class portion of the Settlement. However, you may not opt out of the PAGA portion of the Settlement and release as described above. If you do opt out from the class portion, you will not receive any portion of the class settlement and cannot object to the Settlement. However, you will not be bound or affected by the class portion of the Settlement and may be able to file your own case. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the PAGA Amount regardless of their decision to opt out of the class settlement.

How do I opt out?

If you do not wish to take part in the Settlement, you may exclude yourself from the class portion of the settlement by mailing or faxing the enclosed Request for Exclusion Form or a letter requesting exclusion to the Settlement Administrator postmarked no later than **Response Deadline** with your name, address, telephone number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator:

[Settlement Administrator]
[Street address]

[City, State, Zip Code]
[Phone No.]
[Fax No.]

Any person who submits a timely Request for Exclusion, shall, upon receipt by the Settlement Administrator, not be a Settlement Class Member and will not receive any portion of the class settlement. However, the person may not opt out of the PAGA portion of the settlement and release as described above. Settlement Class Members who also qualify as Aggrieved Employees will receive their portion of the PAGA Amount regardless of their decision to opt out of the class settlement.

Objection or Dispute

What if I disagree with the settlement?

Dispute Information In This Notice. Your Participating Member Payment is based on the proportionate number of Class Workweeks you worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period. The information contained in Defendant's records regarding each of these factors, along with your estimated Participating Member Payment, is listed below. If you disagree with the information listed below, you may mail or fax a dispute, along with any supporting documentation, to **Settlement Administrator Address And Fax No.** Any Disputes, Along With Supporting Documentation, Must Be Postmarked No Later Than **Response Deadline**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Settlement Administrator will determine whether any adjustments are warranted, and if so, will consult with the Parties and make a determination as to whether an adjustment will be made.

According to Defendant's records:

- (a) you worked for Defendant in California from [redacted] to [redacted];
- (b) you worked [redacted] Class Workweeks during the Class Period; and
- (c) you worked [redacted] PAGA Pay Periods during the PAGA Period.

Based on the above, your Participating Member Payment is estimated at \$ [redacted].

Objecting to the Settlement. If you disagree with any part of the settlement (including the attorneys' fees) but don't want to opt out, you may object. You must give reasons why you think the Court should not approve the settlement and say

whether your objection applies to just you, a part of the class, or the entire class. The Court will consider your views. The Court can only approve or deny the settlement — it cannot change the terms of the settlement. You may, but don't have to, hire your own lawyer to help you. If the Court rejects your objection, you will still be bound by the terms of the Settlement.

To object, you must complete and send the enclosed objection form or a letter to the Settlement Administrator that:

- (1) is postmarked by [date];
- (2) includes the case name and number *Alexis Morales v. Knowles Security, Inc.*; Case No.: 30-2023-01330854-CU-OE-CXC
- (3) includes your full name, address and telephone number, and email address (if you have one);
- (4) includes all objections and the factual and legal bases for same;
- (5) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence;
- (6) says whether either you or your lawyer intend to appear at the final approval hearing and your lawyer's name;
- (7) your signature.

Mail or fax the letter to:

[Settlement Administrator]
[Street address]
[City, State, Zip Code]
[Phone No.]
[Fax No.]

You may also object by appearing at the Final Approval Hearing scheduled for **Final Approval Hearing Date/Time** in Department **CX102** of Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701. You have the right to appear either in person or through your own attorney at this hearing, although you do not need to appear at the Final Approval Hearing for your objection to be considered. All objections or other correspondence must state the name and number of the case, which is *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

Key Resources

How do I get more information?

This notice is a summary of the Action and the Settlement. The complete settlement

Deleted: CX103

with all its terms can be found [Settlement Administrator URL]. To get a copy of the settlement agreement or get answers to your questions:

- contact counsel for the Plaintiff, Class, and Aggrieved Employees or counsel for Defendant Knowles Security, Inc.
- visit the case website at [Settlement Administrator URL] or contact the Settlement Administrator at [Settlement Administrator Phone Number].
- access the Court's online civil case access page at <https://www.occourts.org/online-services/case-access> and enter the case number information. The Settlement Agreement is attached as Exhibit A to the Declaration of Daniel J. Brown In Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement, filed on [Preliminary Approval Motion Filing Date]
- inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, during regular court hours.

Resource	Contact Information
Case website	[Settlement Administrator URL]
Settlement Administrator	[Settlement Administrator] [Street address] [City, State, Zip Code] [Phone Number]
Attorneys for the Plaintiff, Class, and Aggrieved Employees	STANSBURY BROWN LAW, PC Daniel J. Brown dbrown@stansburybrownlaw.com Jessica Flores jflores@stansburybrownlaw.com 2610 ½ Abbot Kinney Blvd. Venice, California 90291 www.stansburybrownlaw.com
Attorneys for Defendant Knowles Security, Inc.	LANDEGGER VERANO & DAVIS, ALC Roxana E. Verano, Esq. roxana@landeggeresq.com Joseph P. Sklar, Esq. joseph@landeggeresq.com 15760 Ventura Blvd., Suite 1200 Encino, California 91436 www.landeggeresq.com

Court (DO NOT CONTACT)	Superior Court of Orange County 751 W. Santa Ana Blvd. Santa Ana, California 92701
-------------------------------	--

Reminder as to Time Limits

The deadline to mail or fax a Request for Exclusion, a written objection, or any dispute is **Response Deadline**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON **Preliminary Approval Date.**

EXHIBIT G

REQUEST FOR EXCLUSION FORM

Alexis Morales v. Knowles Security, Inc.

Orange County Superior Court

Case No.: 30-2023-01330854-CU-OE-CXC

IF YOU **DO NOT** WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MAY **COMPLETE, SIGN AND MAIL OR FAX** THIS FORM, POSTMARKED **OR FAXED** ON OR BEFORE **[INSERT DATE]**, ADDRESSED AS FOLLOWS:

Formatted: Underline

APEX CLASS ACTION LLC
Alexis Morales v. Knowles Security, Inc.
CLASS ACTION ADMINISTRATOR

ADDRESS
ADDRESS
PHONE
FAX

DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A PORTION OF THE NET SETTLEMENT FUND UNDER THE SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I **do not** want to be part of the Settlement Class in the lawsuit entitled *Alexis Morales v. Knowles Security, Inc.*, Orange County Superior Court, Case No. 30-2023-01330854-CU-OE-CXC.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *ALEXIS MORALES v. KNOWLES SECURITY, INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE NET SETTLEMENT AMOUNT AS PART OF THE SETTLEMENT OF THIS LAWSUIT. I WILL NOT BE RELEASING ANY CLASS CLAIMS AND WILL RETAIN THE RIGHT TO SUE DEFENDANT ON MY OWN BEHALF. I ALSO UNDERSTAND THAT THIS EXCLUSION DOES NOT APPLY TO THE PAGA PORTION OF THE SETTLEMENT, WHICH IS EFFECTIVE WHETHER OR NOT I CASH THE CHECK FOR THE PAGA PORTION OF THE SETTLEMENT IF I RECEIVE ONE.

Name

Address

Date

Signature

Deleted: ¶

Exhibit H

OBJECTION FORM
Alexis Morales v. Knowles Security, Inc.
Orange County Superior Court
Case No.: 30-2023-01330854-CU-OE-CXC

All objections must be mailed, [faxed](#), or delivered to the Settlement Administrator, Apex Class Action LLC, Inc. at <<INSERT ADMINISTRATOR CONTACT INFO>> on or before <<RESPONSE DEADLINE>>. All objections must be postmarked, [faxed](#), or [delivered](#) on or before <<RESPONSE DEADLINE>>.

Deleted:

Objecting Settlement Class Member Information:

Name

Telephone Number

Address

Email Address

Date

Signature

Do you and/or your lawyer intend to appear at the Final Approval hearing on <<Hearing Date>>? If your lawyer will attend, please provide your lawyer's name.

Describe the Factual and/or Legal Basis of Each Objection and Please Attach Additional Pages if Necessary. Please also attach any and all supporting papers, briefs, written evidence, declarations, and/or other evidence

Exhibit I

1 STANSBURY BROWN LAW, PC
Daniel J. Brown (SBN 307604)
2 dbrown@stansburybrownlaw.com
2610 ½ Abbot Kinney Blvd.
3 Venice, California 90291
Tel: (323) 204-3124

4 Attorneys for Plaintiff
5

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

9 ALEXIS MORALES, as an individual and on
behalf of all others similarly situated,

10 Plaintiff,
11

12 v.

13 KNOWLES SECURITY, INC., a California
corporation; and DOES 1 through 100,

14 Defendants.
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Case No. 30-2023-01330854-CU-OE-CXC

[Assigned for all purposes to the
Honorable [Layne Melzer](#)]

**REVISED [PROPOSED] ORDER
GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Complaint Filed: June 9, 2023
First Amended
Complaint Filed: July 31, 2023
Trial Date: None Set

Deleted: Jessica Flores (SBN 282669)
jflores@stansburybrownlaw.com

Deleted: .

Deleted: Lon F. Hurwitz]

1 **ORDER**

2 The unopposed motion of Plaintiff Alexis Morales ("Plaintiff") for Preliminary Approval
3 of Class Action Settlement came on regularly for hearing before this Court on _____
4 at _____. The Court, having considered the proposed Stipulation of Class
5 and PAGA Settlement ("the "Settlement"), attached as Exhibit A to the [Supplemental](#) Declaration
6 of Daniel J. Brown In Support of Plaintiff's Motion for Preliminary Approval of Class Action and
7 PAGA Settlement ("[Supp Brown Decl.](#)") ([ROA No. 112](#)) filed concurrently herewith and attached
8 hereto as Exhibit A; having considered Plaintiff's Motion for Preliminary Approval of Class
9 Action and PAGA Settlement, Memorandum of Points and Authorities in support thereof, and
10 supporting declarations filed therewith, with good cause appearing, HEREBY ORDERS THE
11 FOLLOWING:

12 1. The Court GRANTS preliminary approval of the class action settlement as set
13 forth in the Settlement and finds its terms to be fair, adequate and reasonable, and in the best
14 interest of the class members and within the range of reasonableness of a settlement that ultimately
15 could be granted approval by the Court at a [Final Approval Hearing](#). For purposes of the
16 Settlement, the Court finds that the proposed Settlement Class is ascertainable and that there is a
17 sufficiently well-defined community of interest among the members of the Settlement Class in
18 questions of law and fact. Therefore, for settlement purposes only, the Court grants conditional
19 certification of the following Settlement Class:

20 All current and former non-exempt employees of Defendant Knowles
21 Security, Inc. who worked for Defendant ("Class Members") at any time during
22 the period of June 9, 2019, through June 23, 2024. ("Class Period").

23 2. For purposes of the Settlement, the Court designates named Plaintiff Alexis
24 Morales as Class Representative, and Daniel J. Brown of Stansbury Brown Law, PC as counsel
25 for Class Members, the State of California and the Aggrieved Employees ("Class Counsel");

26 3. The Court designates Apex Class Action LLC as the third-party Settlement
27 Administrator for mailing notices.

Deleted: Final Fairness Hearing

Deleted: and Jessica Flores

1 4. The Court approves, as to form and content, the Class Action Notice, Request for
2 Exclusion Form and Objection Form ("Class Notice Packet") attached as Exhibits B – D to the
3 Supp Brown Decl. and also attached hereto as Exhibits B – D.

Deleted: , and

Deleted: - D

4 5. The Court finds that the form of notice to the Settlement Class regarding the
5 pendency of the action and of the Settlement, and the methods of giving notice to members of the
6 Settlement Class constitute the best notice practicable under the circumstances, and constitute
7 valid, due, and sufficient notice to all members of the Settlement Class. The form and method of
8 giving notice complies fully with the requirements of California Code of Civil Procedure section
9 382, California Civil Code section 1781, California Rules of Court 3.766 and 3.769, the California
10 and United States Constitutions, and other applicable law.

11 6. The Court further approves the procedures for Class Members to opt out of, dispute
12 or object to the Settlement, as set forth in the Class Notice Packet.

13 7. The procedures and requirements for filing objections in connection with the Final
14 Approval Hearing are intended to ensure the efficient administration of justice and the orderly
15 presentation of any Class Member's objection to the Settlement, in accordance with the due
16 process rights of all Class Members.

Deleted: Final Fairness Hearing

17 8. The Court directs the Settlement Administrator to mail the Class Notice to the
18 members of the Settlement Class in accordance with the terms of the Settlement. The Court
19 directs the Settlement Administrator to carry out all duties as required by the Settlement.

20 9. The Class Notice shall provide at least 60 calendar days' notice for Class Members
21 to opt out of, dispute or object to, the Settlement. Any request for exclusion, dispute or objection
22 shall be submitted directly to the Settlement Administrator, and not filed with the Court. The
23 request for exclusion, dispute or objection shall be submitted to the Settlement Administrator on
24 the forms attached hereto as Exhibits C and D or otherwise per the terms of the Settlement
25 Agreement. Class Members may also appear in Court on the date of the Final Approval hearing
26 to lodge an objection. Upon receipt of any requests for exclusion, disputes or objections, the
27 Settlement Administrator shall forward copies of the requests for exclusion, disputes or objections
28

1 to counsel for all Parties. The Settlement Administrator shall file a declaration concurrently with
2 the filing of the Motion for Final Approval of Class Action Settlement which authenticates a copy
3 of every request for exclusion, dispute and objection received by the Settlement Administrator.

4 10. The [Final Approval Hearing](#) on the question of whether the Settlement should be
5 finally approved as fair, reasonable, and adequate is scheduled in Department [CX102](#) of this Court
6 located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, on [July 31, 2025](#) at [2:00 p.m.](#)

7 11. At the [Final Approval Hearing](#), the Court will consider: (a) whether the Settlement
8 should be finally approved as fair, reasonable, and adequate for the Settlement Class; (b) whether
9 a judgment granting final approval of the Settlement should be entered; and (c) whether Plaintiff's
10 application for reasonable attorneys' fees, reimbursement of litigation expenses, Service Award
11 to Plaintiff, and payment to the Labor and Workforce Development Agency ("LWDA") for
12 penalties under the Labor Code and Private Attorneys General Act ("PAGA") should be granted.

13 12. Counsel for the Parties shall file memoranda, declarations, or other statements and
14 materials in support of their request for final approval of the Settlement, attorneys' fees, litigation
15 expenses, Plaintiff's Service Award, settlement administration costs, and payment to the LWDA
16 for PAGA penalties prior to the [Final Approval Hearing](#) according to the time limits set by the
17 Code of Civil Procedure and the California Rules of Court.

18 13. An implementation schedule is below:

Event	Date
Defendants to provide Class Data to Settlement Administrator no later than [14 calendar days after entry of an order of preliminary approval]	
Settlement Administrator to mail Class Notice to Class Members no later than [7 calendar days after receiving class data]:	

Deleted: Final Fairness Hearing

Deleted: CX103

Deleted: _____.

Deleted: 2024

Deleted: _____.

Deleted: Final Fairness Hearing

Deleted: Final Fairness Hearing

Deadline for Settlement Class members to request exclusion from, or object to, the Settlement [60 days after mailing]	
Deadline for Plaintiff to file Motion for Final Approval of Class Action Settlement:	16 Court Days Prior To Final Approval Hearing
Final Approval Hearing :	

Deleted: Final Fairness Hearing

Deleted: Final Fairness Hearing

Deleted: Final Fairness Hearing

14. Pending the [Final Approval Hearing](#), all proceedings and deadlines in this action, including discovery deadlines, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

15. Pursuant to Section 664.6 of the California Code of Civil Procedure and California Rule of Court 3.769(h), the Court will retain jurisdiction to enforce the Settlement and this Order.

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Indent: Left: 0", First line: 0.5", Right: 0", Widow/Orphan control, Tab stops: 0.5", Left

Formatted: Font: 18 pt

Formatted: Indent: Left: 0.5", No bullets or numbering

IT IS SO ORDERED.

Dated: _____, 2025 By: _____
Honorable [Layne Melzer](#)
Judge of the Superior Court

Deleted: 2024

Deleted: Lon F. Hurwitz

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

On April 2, 2025 I served the document listed below on the parties in this action as follows:

☐ (BY MAIL) I placed such envelope on the above date, with postage fully prepaid, for deposit in the U.S. Postal Service at my place of business at Venice, California, following the ordinary business practices of my place of business. I am readily familiar with the business practice at my place of business for collection and processing of correspondence for mail with the U.S. Postal Service. Under that practice, such correspondence is deposited with the U.S. Postal Service the same day it is collected and processed in the ordinary course of business.

☐ (BY HAND DELIVERY) I delivered to an authorized courier or driver authorized by _____ to receive documents to be delivered on the same date.

☒ (BY EMAIL or ELECTRONIC TRANSMISSION) By electronically transmitting the document(s) listed above to the email address(es) of the person(s) set forth on the attached service list from the email address assistant@stansburybrownlaw.com. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. Service by e-mail was made pursuant to agreement of the parties, confirmed in writing, or as an additional method of service as a courtesy to the parties or pursuant to Court Order. See Cal. R. Ct. R. 2.260.

Executed on April 2, 2025 at South Gate, California.

1
**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SERVICE LIST

Landegger Verano & Davis, ALC
Joe P. Sklar, Esq.
15760 Ventura Blvd., Suite 1200
Encino, California 91436
Telephone: 818.986.7561 ext. 405
Facsimile: 818.986.5147
Email: joseph@landeggeresq.com
alfred@landeggeresq.com
roxana@landeggeresq.com
scabrera@landeggeresq.com

Attorneys for Defendant Knowles Security, Inc.