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ABO WINDOW FASHION CORP.

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

DANIEL CORONA, individually and on  
behalf of others similarly situated, and as an  
aggrieved employee and Private Attorney  
General,

Plaintiff,

vs.

ABO WINDOW FASHION CORP., a  
California corporation; and DOES 1 through  
50, inclusive,

Defendants.

Case No. CIVRS2400740

*Assigned for all purposes to the Hon. Tony  
Raphael, Dept. R14*

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

Complaint Filed: August 29, 2024  
FAC Filed: November 5, 2024  
Trial Date: Not Set.

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

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Daniel Corona individually and on behalf of the Class and PAGA Members, and Defendant ABO Window Fashion Corp.

**DEFINITIONS**

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

2. “Action” means the court action, entitled “*Corona v. ABO Window Fashion Corp.*,” Case No. CIVRS2400740, pending before the San Bernardino County Superior Court.

3. “Class Counsel” means Protection Law Group, LLP.

4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed Thirty-Three and 1/3 Percent (33.3%) of the Gross Settlement Amount, i.e. Ninety-Five Thousand Dollars (\$95,000) and the reimbursement costs and expenses associated with the litigation and settlement of the Action, not to exceed Thirty Thousand Dollars (\$30,000.00), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs and expenses in the amount set forth above.

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

reasonably required by the Settlement Administrator in order to effectuate the terms of the Settlement. This is a material terms of the Settlement, and if Defendant fails to comply, Plaintiff shall have the right to void the Settlement.

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

7. “Class Period” means the period commencing on August 29, 2020 and ending on either the date of Preliminary Approval of the settlement by the Court or May 19, 2025, whichever occurs earlier.

8. “Class Representative” means Plaintiff Daniel Corona in his capacity as representative of the Participating Class Members.

9. “Plaintiff’s Incentive Payment” means the amount that the Court authorizes to be paid to Plaintiff Daniel Corona, in addition to whatever monetary settlement Plaintiff is entitled to recover from the Net Settlement Amount as a Class Member, in recognition of the efforts and risks he has taken in assisting with the prosecution of the Action and in exchange for the General Release of his claims as provided herein. Defendant agrees not to oppose Plaintiff’s request for an Incentive Payment of Five Thousand Dollars (\$5,000). Any amount of the Incentive Payment not approved by the Court shall become part of the Net Settlement amount.

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

11. “Defendant” means ABO Window Fashion Corp.

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

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

3           14.     “Gross Settlement Amount” means the sum of Two Hundred Eighty-Five Thousand  
4 Dollars (\$285,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross  
5 Settlement Amount will return to Defendant, and includes all: (1) payments to the Class; (2) Class  
6 Counsel’s fees; (3) Class Counsel’s costs; (4) Settlement Administration Costs; (5) Incentive  
7 Payment to Plaintiff; (6) Payment of PAGA penalties to be paid to the LWDA and PAGA  
8 Members; and (7) employee share of any applicable payroll taxes. The Gross Settlement Amount  
9 is exclusive of employer share of any applicable payroll taxes, and any such employer-side payroll  
10 taxes shall be paid by Defendant separately and in addition to the Gross Settlement Amount, to the  
11 extent required by law. The Gross Settlement Amount is based on Defendant’s representation that  
12 the Class Members worked a total of 6,222 workweeks during the Class Period. This is a material  
13 representation for Plaintiff to enter into this agreement. The Gross Settlement Amount plus any  
14 applicable employer-side payroll taxes shall be the maximum amount Defendant is required to pay  
15 under the settlement.  
16

17           15.     “Individual Settlement Payment” means the amount payable from the Net  
18 Settlement Amount to each Participating Class Member and any payment a PAGA Member is  
19 eligible to receive from the employee portion of the PAGA Penalties. Individual Settlement  
20 Payments shall be paid by a settlement check made payable to Participating Class Members and/or  
21 PAGA Members. The amounts paid as wages shall be subject to all tax withholdings customarily  
22 made from the employee’s wages and all other authorized and required withholdings. The amounts  
23 paid as penalties and interest shall be subject to all authorized and required withholdings other than  
24 the tax withholdings customarily made from employees’ wages. The Settlement Administrator will  
25 be responsible for issuing to Participating Class Members a form W-2 for amounts deemed  
26 “wages” and an IRS Form 1099 for the amounts deemed penalties and interest.  
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1           16.     “Net Settlement Amount” means the funds available for payments to the Class,  
2 which shall be amount remaining after the following amounts are deducted from the Gross  
3 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement  
4 Administration Costs, (4) Incentive Payment to Plaintiff; and (5) the PAGA Penalties to be paid  
5 to the LWDA and PAGA Members.

6           17.     “Notice” means the Notice of Class Action Settlement in a form substantially  
7 similar to the form attached hereto as Exhibit A, in English and Spanish, providing a summary of  
8 the provisions of the Settlement, that will be mailed to Class Members’ last known addresses. The  
9 Class Notice shall list the number of Workweeks worked by the Class Member during the Class  
10 Period and the estimated individual payment each Class Member will receive if they participate in  
11 the Settlement. The Class Notice will also include instructions on how to opt-out of and object to  
12 the Settlement. The Settlement Administrator shall mail the Class Notice to Class Members via  
13 First Class U.S. Mail no later than seven (7) calendar days after receiving the Class List from  
14 Defendant.  
15

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

18           19.     “PAGA Penalties” means the amount that the Parties have agreed to allocate in  
19 order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§  
20 2698, *et seq.*) (“PAGA”). The Parties have agreed that Twenty Thousand Dollars (\$20,000.00) of  
21 the Gross Settlement Amount will be allocated to the resolution of Plaintiff’s PAGA claims. Sixty-  
22 Five Percent (65%) of this amount (\$13,000.00) will be paid to the California Labor and Workforce  
23 Development Agency in accordance with Labor Code §§ 2698 *et seq.* Thirty-Five Percent (35%)  
24 of this amount (\$7,000.00) will be distributed to PAGA Members on a *pro rata* basis. PAGA  
25 Members will receive payment from the employee portion of the PAGA Penalties regardless of  
26 their decision to participate in the class action if the PAGA Penalties are approved by the Court.  
27  
28

20. “PAGA Period” means the period commencing on September 2, 2023 and ending on either the date of preliminary approval of the settlement by the Court or May 19, 2025, whichever occurs earlier.

21. “PAGA Members” means all current and former non-exempt employees of Defendant who worked for Defendant in the state of California at any time during the PAGA Period.

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

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

24. “Plaintiff” means Daniel Corona.

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

26. “Objection” means a Participating Class Member’s valid and timely written objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the objector’s full name, address, telephone number, last four digits of the employee’s social security number or employee ID number and (b) the name of the case and case number; and (c) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection. Class Members will be provided 60 days within which to submit objections. Class Members who wish to object will need to mail those objections to the Settlement Administrator only. Class Members will not be barred from appearing at the final approval hearing if they have not complied with the objection procedures for mailing objections to the Settlement Administrator. The Settlement Administrator shall provide counsel for the Parties with complete copies of all objections received, including the postmark dates or fax timestamps for each objection, within five (5) calendar days of receipt. Plaintiff’s Counsel will provide copies of any objections and supporting documents to the Court at least ten (10) days before the Final Approval hearing.

27. “Released Class Claims” means all claims, rights, demands, liabilities, causes of actions, attorney’s fees, and costs that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action including but not limited to the following claims: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, itemized, and accurate wage statements; (v) failure to pay wages timely at time of separation of employment, termination or resignation; (vi) failure to provide timely pay wages during employment; and (vii) unfair business practices that otherwise could have been premised on the facts pled in the operative complaint. The Released Class Claims shall apply to claims arising during the Class Period. These Released Class Claims shall also include without limitation any and all claims relating to or arising out of Plaintiff’s work performed while working for Defendant, whether known or unknown.

28. “Released PAGA Claims” means all claims for civil penalties, attorney’s fees, and costs under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged both in the PAGA Notice provided to the LWDA and in the operative complaint, including but not limited to penalties, attorney’s fees, and costs that could have been awarded pursuant to Labor Code sections 210, 226, 226.3, 558, 1174.5, 1197.1, and 2699. This release shall apply to claims arising during the PAGA Period.

29. “Released Parties” means Defendant ABO Window Fashion Corp., and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, agents, representatives, attorneys, contractors, insurers, partners, investors, shareholders, administrators, parent companies, related companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

30. “Request for Exclusion” means a valid and timely written statement submitted by a Class Member requesting to be excluded from the settlement of the Released Class Claims. To be effective, the Request for Exclusion must contain (a) the Class Member’s name, address,

1 telephone number, and the last four digits of the Class Member's Social Security number and/or  
2 the Employee ID number and (b) a clear statement requesting to be excluded from the settlement  
3 of the class claims. The Request for Exclusion shall not be effective as to the release of claims  
4 arising under PAGA.

5 31. "Response Deadline" means the date sixty (60) days after the Settlement  
6 Administrator mails Notice to Class Members, which shall be the last date on which Class  
7 Members may submit Requests for Exclusion, written objections to the Settlement, or Workweek  
8 disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline  
9 will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline  
10 for Requests for Exclusion, written objections, or Workweek disputes, will be extended fifteen  
11 (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement  
12 Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the  
13 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The  
14 Response Deadline may also be extended by express agreement between Class Counsel and  
15 Defendant. Under no circumstances, however, will the Settlement Administrator have the authority  
16 to unilaterally extend the Response Deadline.  
17

18 32. "Settlement" means the disposition of the Action pursuant to this Agreement.

19 33. "Settlement Administrator" means Apex Class Action LLC. The Parties each  
20 represent that they do not have any financial interest in the Settlement Administrator or otherwise  
21 have a relationship with the Settlement Administrator that could create a conflict of interest.

22 34. "Settlement Administration Costs" mean the costs payable from the Gross  
23 Settlement Amount to the Settlement Administrator, subject to court approval, for administering  
24 this Settlement, including, but not limited to, printing, distributing, and tracking documents for  
25 this Settlement, calculating/confirming the class member Workweeks from the information  
26 contained in the Class List, calculating each Participating Class Member's Individual Settlement  
27 Payment, calculating the PAGA Portion of the PAGA Members individual settlement payment,  
28



tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs shall not exceed Four Thousand Four Hundred Ninety Dollars (\$4,490). To the extent that Settlement Administration costs are ultimately less than the amount of the quote provided by the selected Settlement Administrator, the remainder shall become part of the Net Settlement Amount.

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

### TERMS OF AGREEMENT

36. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date, notwithstanding anything to the contrary in this Agreement. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, Plaintiff’s Incentive Payment, Class Counsel’s Fees and Costs, the PAGA Penalties Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement Payments, or as a result of an increase in the number of workweeks as set forth below, Defendant shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendant.

37. Potential Increase to the Gross Settlement Amount: Defendant has represented there are approximately 6,222 Workweeks within the Class Period. Should the actual number of Workweeks increase by more than ten percent (10%) (i.e. by more than 622 Workweeks) Defendant shall have the option to either: (i) increase the Gross Settlement Amount on a *pro-rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10% (for example, if the number of Workweeks increases by 11%, the Gross Settlement

Amount will increase by 1%); or (ii) cut off the Class Period end date when it exceeds 6,844 Workweeks.

38. Funding of the Gross Settlement Amount: Defendant will start funding of the Gross Settlement Amount by depositing a monthly payment of Fifteen Thousand Eight Hundred Thirty-Three Dollars and Eighty-Three Cents (\$15,833.33) starting on May 30, 2025, into a Qualified Settlement Fund ("QSF"), which shall be completed within eighteen (18) months from May 30, 2025. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information reasonably requested by the Settlement Administrator, no later than seven (7) calendar days of the Effective Date.

39. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days of the funding of the Gross Settlement Amount in full, the Settlement Administrator will issue payments for: (a) Individual Settlement Payments; (b) the sixty-five percent (65%) of the PAGA Penalties to the Labor and Workforce Development Agency; (c) the Plaintiff's Incentive Payment; (d) Class Counsel's Fees and Costs and (e) Settlement Administration Costs.

40. Attorneys' Fees and Costs: Defendant agrees not to oppose any application or motion by Class Counsel for attorneys' fees of not more than Ninety-Five Thousand Dollars (\$95,000.00) plus the reimbursement of costs and expenses associated with the litigation and settlement of the Action, in an amount not to exceed Thirty Thousand Dollars (\$30,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

41. Plaintiff's Incentive Payment: Defendant agrees not to oppose or object to any application or motion by Plaintiff for Class Representative Incentive Payment of Five Thousand Dollars (\$5,000). Plaintiff's Incentive Payment is in exchange for the General Release of the Plaintiff's individual claims and for their time, effort and risk in bringing and prosecuting the

Action. Any portion of the requested Plaintiff's Incentive Payment that is not awarded to the Class Representative shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

42. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Four Thousand Four Hundred Ninety Dollars (\$4,490.00).

43. PAGA Payment: Twenty Thousand Dollars (\$20,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay Sixty-Five percent (65%) of the PAGA Penalties, or Thirteen Thousand Hundred Dollars (\$13,000.00), to the California Labor and Workforce Development Agency ("LWDA"). Thirty-Five percent (35%) of the PAGA Penalties, or Seven Thousand Dollars (\$7,000.00), will be distributed to PAGA Members on a *pro rata* basis based on the total number of pay periods worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Penalties regardless of their decision to opt-out of the class settlement.

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

Gross Settlement Amount	\$	285,000.00
Plaintiff's Incentive Payment:	\$	5,000.00
Class Counsel's Fees:	\$	95,000.00
Class Counsel's Costs:	\$	30,000.00
PAGA Penalties	\$	20,000.00

Settlement Administration Costs:	\$	4,490.00
<b>Estimated Net Settlement Amount</b>	<b>\$</b>	<b>130,510.00</b>

45. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount and the 35% portion of the PAGA Penalties allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments: The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the payment ratio for each Participating Class Member. Each Participating Class Member's payment ratio will then be multiplied by the Net Settlement Amount to calculate each Participating Class Member's estimated share of the Net Settlement Amount. The Individual Settlement Payments estimate indicated on the Notice are subject to change, depending on factors including how many Class Members become Excluded Class Members (resulting in their Individual Workweeks being removed from the final Class Workweeks, thereby increasing the final weekly settlement amount).

b) Calculation of PAGA Portion of Individual Settlement Payments: The Settlement Administrator will calculate the total pay periods for all PAGA Members by adding the number of pay periods worked by each PAGA Member during the PAGA Period. The respective pay periods for each PAGA Member will be divided by the total pay periods for all PAGA Members, resulting in the payment ratio for each PAGA Member. Each PAGA Member's payment ratio will then be multiplied by the employee portion of the PAGA Penalties to calculate each PAGA Member's estimated share of the PAGA Penalties. PAGA Members shall receive this portion of their Individual Settlement Payment regardless of whether they opt out of the participation regarding the class claims.

c) Allocation of Individual Settlement Payments: The Class portion of each Individual Settlement Payments will be allocated as follows: ten percent (10%) of each Individual Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as interest, and fifty percent (50%) shall be allocated as penalties. The PAGA portion of each Individual Settlement Payment will be allocated 100% as Penalties. The portion of the Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator.

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

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

- a) Establish and maintain a Qualified Settlement Fund.
- b) Calculate the Individual Settlement Payment each Participating Class Member is eligible to receive and the portion of the PAGA Penalties each PAGA Member shall receive.
- c) Translate the Notice from English to Spanish and print and mail the Notice.
- d) Assist Class Members who have questions regarding the Notice.

- e) Conduct additional address searches for mailed Notices that are returned as undeliverable.
- f) Calculate Participating Class Members' Individual Settlement Payments, process any Requests for Exclusion, and field inquiries from Class Members.
- g) Calculate and make all payments on behalf of Defendant required pursuant to the Settlement Agreement, including but not limited to, FICA, FUTA, and SDI contributions and the employer's portion of all payroll taxes, which shall be made from the Class Settlement Amount
- h) Print and issue and issue Settlement payment checks, prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority. Basic accounting for and payment of employee tax withholdings and forwarding all payroll taxes and penalties to the appropriate government authorities will also be included as part of this service.
- i) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the Settlement administration process.
- j) Provide weekly status reports to counsel for the Parties.
- k) Post a notice of final judgment online at Settlement Administrator's website.
- l) Transfer unclaimed funds to the State Controller's office following the expiration of the settlement payments.

48. Delivery of the Class List: Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. To protect Class Members' privacy rights, the Settlement Administrator must maintain the Class List in confidence, use the Class List only for purposes of this Settlement and for no other purpose, and restrict access

to the Class List to Settlement Administrator employees who need access to the Class List to effect and perform under this Agreement. This is a material term of the Agreement, and if Defendant fails to comply, Plaintiff shall have the right to void the Agreement.

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

50. Confirmation of Contact Information in the Class List: Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. If any notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a current employee, then Defendant shall make all reasonable efforts to obtain the current address from the Class Member and provide the same within seven (7) calendar days of notice from the Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or (b) the Response Deadline to postmark a Request for Exclusion, written objection, or Workweek dispute.

51. Notice: All Class Members will be mailed a Notice in both English and Spanish containing the Form attached as Exhibit A as approved by the Court. Each Notice will provide: (a) a summary of the provisions of the Settlement; (b) the total number of Workweeks each respective

1 Class Member worked for Defendant during the Class Period; (c) each Class Member's estimated  
2 Individual Settlement Payment and the formula for calculating Individual Settlement Payments;  
3 (d) the dates which comprise the Class Period; (e) instructions on how to opt-out of and object to  
4 the Class Portion of the Settlement; (f) the deadlines by which the Class Member must postmark  
5 Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (g) the claims to be  
6 released, as set forth herein; and (h) the date for the final approval hearing.

7 52. Disputed Information on Notice: Class Members will have an opportunity to  
8 dispute the information provided in their Notice. To the extent Class Members dispute the number  
9 of Workweeks with which they have been credited or the amount of their Individual Settlement  
10 Payment, Class Members may produce evidence to the Settlement Administrator showing that  
11 such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's  
12 records will be presumed determinative. However, if a Class Member produces evidence to the  
13 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class  
14 Member and the Parties will make the final decision as to the number of eligible Workweeks that  
15 should be applied and/or the Individual Settlement Payment to which the Class Member may be  
16 entitled. If the Parties do not agree, the dispute will be submitted to the Court.

17 53. Defective Submissions: If a Class Member's Request for Exclusion is defective as  
18 to the requirements listed herein, that Class Member will be given an opportunity to cure the  
19 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)  
20 business days of receiving the defective submission to advise the Class Member that his or her  
21 submission is defective and that the defect must be cured to render the Request for Exclusion valid.  
22 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar  
23 days from the date of the cure letter, whichever date is later, to postmark a revised Request for  
24 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the  
25 Settlement Administrator will have no further obligation to give notice of a need to cure. If the  
26 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.  
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54. Request for Exclusion Procedures: Class members will be provided 60 days within which to submit requests for exclusion (“Requests for Exclusion”). Any Class Member wishing to opt-out from the release of the Released Class Claims must sign and postmark a written Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class Member’s name, address, telephone number, and the last four digits of the Class Member’s Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. The date of the postmark on the return mailing envelope receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant’s Counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request exclusion from the Action will be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court. The Request for Exclusion shall not be effective as to the release of claims arising under the PAGA.

55. Defendant’s Right to Rescind: If ten percent (10%) or more of the Class Members (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at its election, rescind the Settlement Agreement which shall be void ab initio and have no force or effect whatsoever, neither Party will have any further obligation to perform thereunder, and all actions taken in furtherance of it will be thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this right and must make clear their intent to rescind the Agreement within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of these opt-outs. If Defendant exercises its right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration Costs incurred to the date of rescission.

56. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by

1 all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment  
2 that may be entered by the Court if it grants final approval to the Settlement. Class Members who  
3 opt out of the Settlement (“Excluded Class Members”) shall not be bound by such Judgment or  
4 the Class release. However, the opt-out shall not be effective as to the release of claims arising  
5 under the Private Attorneys General Act which shall be binding on all Class Members including  
6 but not limited to Excluded Class Members. The names of Excluded Class Members shall be  
7 disclosed to the Counsel for both Plaintiff and Defendant and noted in the proposed Judgment  
8 submitted to the Court.

9       57. Objection Procedures: To object to the Class portion of the Settlement, a Class  
10 Member must postmark a valid Objection to the Settlement Administrator on or before the  
11 Response Deadline. The Objection must be signed by the Class Member and contain all  
12 information required by this Settlement Agreement including the employee’s full name, address,  
13 telephone number, the last four digits of their social security number and/or Employee ID number,  
14 the name of the case and case number, and the specific reason including any legal grounds for the  
15 Class Member’s objection. The postmark date will be deemed the exclusive means for determining  
16 whether the Notice of Objection is timely. Class Members who fail to object in the manner  
17 specified above will be foreclosed from making a written objection but shall still have a right to  
18 appear at the Final Approval hearing in order to have their objections heard by the Court. At no  
19 time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members  
20 to submit written objections to the Settlement or appeal from the Order and Judgment. Class  
21 Counsel will not represent any Class Members with respect to any objections to this Settlement,  
22 Requests for Exclusion, or Workweek disputes.

24       58. Certification Reports Regarding Individual Settlement Payment Calculations: The  
25 Settlement Administrator will provide Defendant’s Counsel and Class Counsel a weekly report  
26 which certifies: (a) the number of Class Members who have submitted valid Requests for  
27 Exclusion; (b) the number of Notices returned and re-mailed; and (c) whether any Class Member  
28

has submitted a challenge to any information contained in the Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

59. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator to Participating Class Members and PAGA Members will be negotiable for at least one hundred eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his or her settlement check or PAGA payment check within 180 days, the uncashed funds, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of those Participating Class Members and PAGA Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members and the entire 35% portion of the PAGA Penalties will be paid out to the PAGA Members, whether or not they all cash their settlement checks or PAGA payment checks. Therefore, Defendant will not be required to pay any interest on such amounts. The Individual Settlement Payments provided to Participating Class Members and to PAGA Members shall prominently state the expiration date or a statement that the settlement check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will not be reissued, except for good cause and as mutually agreed by the Parties in writing. The Parties agree no unclaimed funds will result from the settlement.

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

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

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

63. No Prior Assignments: The Parties and their counsel represent, covenant, and

warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

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

66. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross Settlement Amount, Plaintiff agrees—on behalf of himself only—to the additional following General Release: In consideration of Defendant's promises and agreements as set forth herein, Plaintiff hereby fully releases and discharges the Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against the Released Parties, or any of them, including but not limited to, the following: the Released Class Claims; Released PAGA Claims; and any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind arising out of or relating to Plaintiff's employment with Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination

of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any way connected with Defendant, any other Released Parties, and/or any matters referred to in this Settlement Agreement, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

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

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

68. Nullification of Settlement Agreement: In the event that: (a) the Court does not finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this Settlement Agreement; or (c) the Settlement does not become final as written and agreed to by the Parties for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, all amounts deposited into the

QSF will be immediately returned to Defendant, and the Parties shall be returned to their original respective positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. Should the Court fail to approve this Settlement for any reason, the Parties agree that they will return to and attend mediation with a mutually agreed Mediator in an effort to reach a settlement that may be approved by the Court.

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

70. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Plaintiff's Incentive Payment; and (d) the Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Any failure by the Court to fully and completely approve the Settlement Agreement as to the entirety of the Action, or the entry of any Order by another Court with regard to any portion of the Action which has the effect

of modifying material terms of this Agreement or preventing the full and complete approval of the Settlement Agreement as written and agreed to by the Parties, will result in this Agreement and all obligations under this Agreement being null and void. Defendant agrees it shall not oppose the granting of the Motion for Final Approval pursuant to this Agreement, provided Defendant has not exercised its right to rescind pursuant to the terms of this Agreement.

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

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

73. Entire Agreement: This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties, all of which shall be deemed superseded and replaced by this Settlement Agreement.

74. Amendment or Modification: This Settlement Agreement may be amended or modified only by a written instrument signed by the Parties or their successors-in-interest and approved by the Court.

75. Authorization to Enter Into Settlement Agreement: The Parties hereby authorize their counsel to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the



1 implementation of the Settlement. If the Parties are unable to reach agreement on the form or  
2 content of any document needed to implement the Settlement, or on any supplemental provisions  
3 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the  
4 assistance of the Court to resolve such disagreement.

5 76. Binding on Successors and Assigns: This Settlement Agreement will be binding  
6 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously  
7 defined.

8 77. California Law Governs: All terms of this Settlement Agreement and exhibits  
9 hereto will be governed by and interpreted according to the laws of the State of California.

10 78. Execution and Counterparts: This Settlement Agreement is subject only to the  
11 execution hereof by all Parties. However, the Settlement Agreement may be executed in one or  
12 more counterparts by facsimile or electronically, each of which shall be accepted as an original.  
13 All executed counterparts and each of them, including facsimile and scanned copies of the  
14 signature page, will be deemed to be one and the same instrument provided that counsel for the  
15 Parties will exchange among themselves original signed counterparts.

16 79. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe  
17 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have  
18 arrived at this Settlement after arm's-length negotiations and in the context of adversarial  
19 litigation, taking into account all relevant factors, present and potential. The Parties further  
20 acknowledge that they are each represented by competent counsel and that they have had an  
21 opportunity to consult with their counsel regarding the fairness and reasonableness of this  
22 Settlement.

23 80. Invalidity of Any Provision: Before declaring any provision of this Agreement  
24 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible  
25 consistent with applicable precedents so as to define all provisions of this Agreement valid and  
26 enforceable.  
27  
28

81. Waiver of Certain Appeals: Provided the Judgment is consistent with the terms and conditions of this Settlement Agreement, the Parties, their respective counsel, all Participating Class Members, and all PAGA Members agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.

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

83. Non-Admission of Liability: The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action

or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

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

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

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

87. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have jointly contributed to the preparation of this Settlement Agreement.

88. Representation By Counsel: The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement or any settlement funds to be paid thereto.

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

To Plaintiff:

RYAN T. CHUMAN  
ryanc@protectionlawgroup.com  
ARNEL O. TAN  
arnel@protectionlawgroup.com  
JOSEPH O. MARSHALL  
joe@protectionlawgroup.com  
CHRISTINE V. REYES  
christine@protectionlawgroup.com  
PROTECTION LAW GROUP, LLP  
149 Sheldon Street  
El Segundo, California 90245

To Defendant:

Rodney W. Bell  
rbell@changcote.com  
Audrey L. Khoo  
akhoo@changcote.com  
CHANG & COTÉ, LLP  
17700 Castleton Street, Suite 238  
City of Industry, California 91748

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

91. Cooperation and Execution of Necessary Documents: The Parties agree to cooperate to promote participation in the Settlement, and in seeking court approval of the Settlement. The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any settlement agreement waivers or *Pick Up Stix* agreements from any Class Member during the Settlement approval process and will work in good faith to reach an agreement approved by the Court. Defendant further agrees that it will not oppose Plaintiff's motion for Preliminary Approval or motion for Final Approval, provided it is consistent with this Settlement Agreement.

1           92.    Confidentiality: The Parties and their counsel agree to keep the terms of the  
2 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval, except: (1)  
3 to the Parties' attorneys, or accountants, all of whom will be instructed to keep this Agreement  
4 confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in  
5 response to a court order or subpoena; or (4) in response to an inquiry or subpoena issued by a  
6 state or federal government agency. Plaintiff, Class Counsel, Defendant and their counsel agree  
7 that they will not issue any press releases, initiate any contact with the press, respond to any press  
8 inquiry or have any communication with the press about the fact, amount or terms of the Settlement  
9 Agreement. Nothing in this Settlement Agreement shall limit Defendant's ability to fulfill  
10 disclosure obligations reasonably required by law or in furtherance of business purposes, including  
11 but not limited to the fulfillment of obligations stated in this Settlement Agreement, or limit Class  
12 Counsel's communications with the Class Members in furtherance of approval of this Settlement.  
13

14           93.    Use and Return of Class Data: Information provided to Class Counsel pursuant to  
15 Cal. Evid. Code §1152, and all copies and summaries of the Class Members' data provided to  
16 Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or  
17 in connection with the Settlement, may be used only with respect to this Settlement, and no other  
18 purpose, and may not be used in any way that violates any existing contractual agreement,  
19 statute, or rule of court. Not later than 90 days after the date when the Court discharges the  
20 Settlement Administrator's obligation to provide a Declaration confirming the final pay out of all  
21 Settlement funds, Plaintiff and Class Counsel shall destroy, all paper and electronic versions of  
22 Class Members' data received from Defendant unless, prior to the Court's discharge of the  
23 Settlement Administrator's obligation, Defendant makes a written request to Class Counsel for  
24 the return, rather than the destructions, of Class Members' data.

25           94.    Binding Agreement: The Parties warrant that they understand and have full  
26 authority to enter into this Settlement, and further intend that this Settlement Agreement will be  
27 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to  
28 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality

provisions that otherwise might apply under federal or state law. The Parties agree that the Court shall have jurisdiction to enforce the terms and conditions of the settlement pursuant to Code of Civil Procedure section 664.6 upon notice motion of any party.

95. Stay of Litigation: The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

**PLAINTIFF**

Dated: 5/6/2025

By:

Signed by:

Daniel Corona

**PROTECTION LAW GROUP, LLP**

By:

Ryan Chuman  
Arnel Tan  
Joseph Marshall  
Christine V. Reyes  
*Attorneys for Plaintiff*

**DEFENDANT**

**ABO WINDOW FASHION CORP.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

provisions that otherwise might apply under federal or state law. The Parties agree that the Court shall have jurisdiction to enforce the terms and conditions of the settlement pursuant to Code of Civil Procedure section 664.6 upon notice motion of any party.

95. Stay of Litigation: The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

**PLAINTIFF**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Daniel Corona

**PROTECTION LAW GROUP, LLP**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Ryan Chuman  
Arnel Tan  
Joseph Marshall  
Christine V. Reyes  
*Attorneys for Plaintiff*

Dated: 5/12/25

**DEFENDANT**

**ABO WINDOW FASHION CORP.**

By: \_\_\_\_\_  
Name: Andy Chen  
Title: General Manager

**CHANG & COTÉ, LLP**

Dated: \_\_\_\_\_

1 Dated: 5/12/2025

CHANG & COTÉ, LLP

3 By: /s/ Audrey L. Khoo

4 Rodney W. Bell

5 Audrey L. Khoo

6 *Attorneys for* Defendant



## EXHIBIT A

# **NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT**

*Corona v. ABO Window Fashion Corp., et al.*

San Bernardino County Superior Court, Case No. CIVRS2400740

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

<b>To:</b>	<b>All current and former hourly-paid, non-exempt employees who worked for ABO Window Fashion Corp. in the state of California, at any time from August 29, 2020 through [DATE OF PRELIMINARY APPROVAL or May 19, 2025].</b>
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## **BASIC INFORMATION**

### **1. What is this settlement about?**

A lawsuit was commenced by Daniel Corona (“Plaintiff”) a former employee of ABO Window Fashion Corp. (“Defendant”) on August 29, 2024. The case is currently pending in the San Bernardino County Superior Court, Case No. CIVRS2400740.

The lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution.

Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

### **2. Why is this a class action?**

In a class action, one or more people called the Class Representative (in this case Daniel Corona, also known as “Plaintiff”), sued on behalf of people who appear to have similar claims (in this case all individuals who were employed by Defendant ABO Window Fashion Corp. in the state of California as non-exempt employees at any time from August 29, 2020, through [DATE OF PRELIMINARY APPROVAL or May 19, 2025]). All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The San Bernardino County Superior Court is in charge of this class action.

### **3. Why is there a settlement?**

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On [DATE OF PRELIMINARY APPROVAL or May 19, 2025] the Court granted preliminary approval of the Settlement, appointed Plaintiff Daniel Corona as the Class Representative for settlement purposes only, and appointed his attorneys at Protection Law Group as counsel for the Class (“Class Counsel”) for settlement purposes only. The Court has not

made a final ruling on whether the settlement is fair, adequate, and reasonable. Instead, the Court has found that the settlement within the range of reasonableness that could be approved. A Final Determination on whether to approve the settlement will be made at the hearing on [REDACTED]. The Class Representative and Class Counsel think the Settlement is best for the Class.

## WHO IS IN THE SETTLEMENT?

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

You are part of the Settlement, and a Class Member, if you were employed by Defendant as a non-exempt employee in the state of California at any time between August 29, 2020, and [DATE OF PRELIMINARY APPROVAL or May 19, 2025].

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Two Hundred and Eighty-Five Thousand Dollars (\$285,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

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

- A. **Attorneys’ Fees to Class Counsel** not to exceed 33 and 1/3 % of the Gross Settlement Amount or Ninety-Five Thousand Dollars (\$95,000);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Thirty Thousand Dollars (\$30,000);
- C. **Incentive Payment to the Class Representative** in an amount not to exceed Five Thousand Dollars (\$5,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Four Thousand Four Hundred Ninety Dollars (\$4,490.00); and
- E. **PAGA Penalties** in the amount of Twenty Thousand Dollars (\$20,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Sixty-Five percent (65%) of this amount, (\$13,000.00) shall be paid to the LWDA. The remaining thirty-five percent (35%) (\$7,000.00) will be distributed to the non-exempt employees who worked for Defendant from September 2, 2023, to [DATE OF PRELIMINARY APPROVAL or May 19, 2025] for the release of their claims arising under PAGA.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment”, will be determined on a *pro rata* basis, based on the number of weeks you worked in California as a non-exempt employee of Defendant from August 29, 2020, through [DATE OF PRELIMINARY APPROVAL or May 19, 2025] (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

The Class Portion of your Individual Settlement Payment will be apportioned as ten percent (10%) wages, forty percent (40%) interest, and fifty percent (50%) penalties. The PAGA Portion of your Individual Settlement Payment will be allocated 100% as penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid

separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each class member's settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

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

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

These amounts were determined based on Defendant's record of your employment from            and           , and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period or the number of pay periods worked during the PAGA Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks or pay periods will be resolved and decided by the Parties or if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

Apex Class Action LLC  
18 Technology Drive, Suite 154  
Irvine, CA 92618  
(800) 355-0700

## **HOW TO GET A PAYMENT FROM THE SETTLEMENT**

### **6. How can I get a payment?**

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

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

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

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

The "Released Class Claims" include all claims, rights, demands, liabilities, causes of actions, attorney's fees, and costs that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action including factual claims regarding Defendant's alleged: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, itemized, accurate wage statements; (v) failure to pay wages timely at time of separation of employment, termination or resignation; (vi) failure to provide timely pay wages during employment; and (vii) unfair business practices.

The "Class Period" during which the release of Released Class Claims pertains is from August 29, 2020, to [DATE]

OF PRELIMINARY APPROVAL or May 19, 2025].

Additionally, all current and former non-exempt employees of Defendant who were employed by Defendant in the state of California between September 2, 2023, and [DATE OF PRELIMINARY APPROVAL or May 19, 2025] shall release the Released PAGA Claims that arose during the PAGA Period. You cannot opt-out of the release of the claims alleged under PAGA.

The “Released PAGA Claims” include: all claims for civil penalties, attorney’s fees, and costs under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged both in the PAGA Notice provided to the LWDA and in the operative complaint, including but not limited to penalties, attorney’s fees, and costs that could have been awarded pursuant to Labor Code sections 210, 226, 226.3, 558, 1174.5, 1197.1, and 2699.

The “PAGA Period” during which the release of the Released PAGA Claims pertains is from September 2, 2023, to [DATE OF PRELIMINARY APPROVAL or May 19, 2025].

### EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

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

#### 8. How can I not participate in the Settlement?

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

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

Apex Class Action  
18 Technology Drive, Suite 154  
Irvine, CA 92618  
(800) 355-0700

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

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

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

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

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

If you exclude yourself, you will not receive a portion of the Net Settlement Amount, as defined in Item 5, above. You will only receive your *pro rata* share of the PAGA Payment if you worked between September 2, 2023, and [DATE OF PRELIMINARY APPROVAL or May 19, 2025] because the Request for Exclusion does not apply to the PAGA claim.

But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Class Claims.

### **THE LAWYERS REPRESENTING YOU**

#### **11. Do I have a lawyer in this case?**

The Court has approved PROTECTION LAW GROUP, LLP as Class Counsel for settlement purposes only. The firm's contact information is:

#### **PROTECTION LAW GROUP LLP**

Ryan Chuman, Esq.  
Arnel O. Tan, Esq.  
Joseph O. Marshall, Esq.  
Christine V. Reyes, Esq.  
149 Sheldon Street  
El Segundo, California 90245  
Telephone: (424) 290-3095  
Facsimile: (866) 264-7880

Class Counsel will ask the Court for attorneys' fees of up to \$95,000.00 and reimbursement of litigation cost/expenses of up to \$30,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

### **OBJECTING TO THE SETTLEMENT**

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

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

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

#### **13. What is the difference between objecting and excluding?**

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

### THE COURT'S FAIRNESS HEARING

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

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

The Court will hold the Final Approval Hearing at [REDACTED] a.m./p.m. on [REDACTED], 2025], in Department [REDACTED] of the San Bernardino Superior Court, located at 8303 Haven Avenue, Rancho Cucamonga, CA 91730.

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

#### 15. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through the San Bernardino County Superior Court's website at <https://www.sb-court.org/general-information/remote-access>.

#### 16. How will I learn if the settlement was approved

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

### IF YOU DO NOTHING

#### 17. What happens if I do nothing at all?

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

### GETTING MORE INFORMATION

#### 18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at [REDACTED] or by contacting the Settlement Administrator or the attorneys of record in this case.

**Class Administrator**

Apex Class Action  
18 Technology Drive, Suite 154  
Irvine, CA 92618  
(800) 355-0700

**Class Counsel**

PROTECTION LAW GROUP LLP  
Ryan T. Chuman, Esq.  
Arnel O. Tan, Esq.  
Joseph O. Marshall, Esq.  
Christine V. Reyes, Esq.  
149 Sheldon Street  
El Segundo, California 90245  
Telephone: (424) 290-3095  
Facsimile: (866) 264-7880

**Counsel for ABO Window  
Fashion Corp.**

CHANG & COTÉ  
Rodney W. Bell, Esq.  
Audrey L. Khoo, Esq.  
1770 Castleton Street, Suite 238  
City of Industry, CA 91748  
Telephone: (626) 854-2112  
Facsimile: (626) 854-2120

**WHAT IF MY INFORMATION CHANGES?**

**19. What if my contact information changes?**

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

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