

1 Code violations.

2 2. Defendants deny all materials allegations set forth in the Action and have asserted
3 numerous affirmative defenses. Nonetheless, in the interest of avoiding further litigation, Defendants
4 desire to fully and finally settle the Action, Released Class Claims (as defined herein), and Released
5 PAGA Claims (as defined herein).

6 3. Class Counsel diligently investigated the class and PAGA claims against Defendants,
7 including any and all applicable defenses and the applicable law. The investigation included, *inter*
8 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
9 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
10 merits of the claims and contentions of the Parties.

11 4. On September 6, 2024, the Parties participated in mediation with Jason Marsili (the
12 “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the
13 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’
14 settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed
15 and detailed analysis of Defendants’ potential liability and exposure in relation to the costs and risks
16 associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class
17 Counsel believes that the settlement with Defendants for the consideration and on the terms set forth
18 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
19 Members (as defined herein), State of California, and PAGA Employees (as defined herein) in light
20 of all known facts and circumstances, including the risk of significant delay and uncertainty associated
21 with litigation and various defenses asserted by Defendants.

22 5. The Parties expressly acknowledge that this Settlement Agreement is entered into
23 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
24 admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is
25 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective
26 positions.

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DEFINITIONS

6. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for Class Counsel's litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 9.

b. "Class" or "Class Member(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant Penn Elcom, Inc. within the State of California at any time during the Class Period.

c. "Class Counsel" means Jonathan M. Genish, Karen I. Gold, Noam Y. Reiffman, Marissa A. Mayhood, Sara Pezeshkpour, and Alexandra Rose of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. "Class List" means a complete list of all Class Members that Defendant Penn Elcom, Inc. will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendant Penn Elcom, Inc. during the Class Period; and (8) such other information as is necessary for the Settlement Administrator to calculate Workweeks and PAGA Workweeks.

e. "Class Notice" means the Notice of Class Action and PAGA Settlement, substantially in the form attached hereto as "**Exhibit A.**"

f. "Class Period" means the period from November 17, 2019 to October 11, 2024, subject to Paragraph 13.

g. "Class Settlement" means the settlement and resolution of all Released Class Claims.

h. "Court" means the Superior Court of the State of California for the County of Orange.

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1 i. “Defendants’ Counsel” means Mimi Ahn and Avi M. Attal of Kahana & Feld
2 LLP.

3 j. “Effective Date” means the date when all of the following events have occurred:
4 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendants’
5 Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Notice Packets has
6 been mailed to the Class Members, providing them with an opportunity to object to the terms of the
7 Class Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing
8 and entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the
9 Court entered a Final Approval Order and Judgment; (6) Plaintiff has executed a release of any and
10 all individual claims against Defendants without revocation; and (7) in the event there are written
11 objections to the Class Settlement filed prior to the Final Approval Hearing which are not later
12 withdrawn or denied, the later of the following events: five business days after the period for filing
13 any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and
14 Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, or, if
15 any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and
16 Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings
17 opposing the Court’s Final Approval Order and Judgment has finally and conclusively dismissed with
18 no right to pursue further remedies or relief.

19 k. “Employer Taxes” means the employers’ share of taxes and contributions in
20 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
21 Penn Elcom, Inc. in addition to the Gross Settlement Amount.

22 l. “Exclusion Form” means the Request for Exclusion Form, substantially in the
23 form attached hereto as “**Exhibit B**”.

24 m. “Enhancement Payment” means the amount to be paid to Plaintiff, in
25 recognition of his effort and work in prosecuting the Action on behalf of Class Members and PAGA
26 Employees, as set forth in Paragraph 10.

27 n. “Final Approval” means the determination by the Court that the Settlement is
28 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

1 o. “Final Approval Hearing” means the hearing at which the Court will consider
2 and determine whether the Settlement should be granted Final Approval.

3 p. “Final Approval Order and Judgment” means the order granting final approval
4 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
5 Parties, and subject to approval by the Court.

6 q. “Gross Settlement Amount” means the amount of One Hundred and Fifty
7 Thousand Dollars and Zero Cents (\$150,000.00) to be paid by Defendant Penn Elcom, Inc. in full
8 satisfaction of the Action, Released Class Claims, and Released PAGA Claims, which includes all
9 Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs,
10 and Net Settlement Amount to be paid to the Settlement Class Members. Defendant Penn Elcom, Inc.
11 shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross
12 Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to
13 Defendants. The Gross Settlement Amount is subject to increase, as provided in Paragraph 13.

14 r. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
15 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
16 calculated in accordance with Paragraph 15.

17 s. “Individual Settlement Payment” means the net payment of each Settlement
18 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
19 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
20 Paragraph 16.

21 t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
22 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
23 in accordance with Paragraph 14.

24 u. “LWDA Payment” means the allocation amount of Seven Thousand Five
25 Hundred Dollars and Zero Cents (\$7,500.00), i.e., 75% of the PAGA Amount, from the Gross
26 Settlement Amount for the PAGA Settlement that the Parties have agreed to pay to the LWDA under
27 the PAGA Settlement, as set forth in Paragraph 11.

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1 v. “Net Settlement Amount” means the portion of the Gross Settlement Amount
2 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
3 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and
4 Settlement Administration Costs.

5 w. “Notice of Objection” means an Objection Form or a written objection to the
6 Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
7 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
8 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
9 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
10 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
11 specified address, postmarked on or before the Response Deadline.

12 x. “Notice Packet” means the Class Notice, Exclusion Form, and Objection Form,
13 substantially in the forms attached as “**Exhibit A**,” “**Exhibit B**”, and “**Exhibit C**”.

14 y. “Objection Form” means the Notice of Objection Form, substantially in the
15 form attached as “**Exhibit C**”.

16 z. “PAGA Amount” means the allocation of Ten Thousand Dollars and Zero
17 Cents (\$10,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
18 percent (75%) of the PAGA Amount, or \$7,500.00, will be paid to the LWDA (i.e., the LWDA
19 Payment) and the remaining twenty-five percent (25%), or \$2,500.00, will be distributed to the PAGA
20 Employees (i.e., the PAGA Employee Amount).

21 aa. “PAGA Employee(s)” means all current and former hourly-paid and/or non-
22 exempt employees who worked for Defendant Penn Elcom, Inc. within the State of California at any
23 time during the PAGA Period.

24 bb. “PAGA Employee Amount” means the amount of Two Thousand Five Hundred
25 Dollars and Zero Cents (\$2,500.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA
26 Employees on a *pro rata* basis based on their PAGA Workweeks.

27 cc. “PAGA Period” means the period from November 7, 2022 through October 11,
28 2024, subject to Paragraph 13.

1 dd. “PAGA Settlement” means the settlement and resolution of all Released PAGA
2 Claims.

3 ee. “PAGA Workweeks” means the number of weeks each PAGA Employee
4 worked for Defendant Penn Elcom, Inc. as an hourly-paid and/or non-exempt employee in California
5 during the PAGA Period. PAGA Workweeks will be calculated by the Settlement Administrator by
6 adding the total number of PAGA Workweeks worked by PAGA Employees from November 7, 2022
7 to October 11, 2024.

8 ff. “Preliminary Approval” means the date on which the Court enters the
9 Preliminary Approval Order.

10 gg. “Preliminary Approval Order” means the order granting preliminary approval
11 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
12 the Court.

13 hh. “Released Class Claims” means any and all claims, debts, liabilities, demands,
14 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were
15 alleged or which could have been alleged based on the factual allegations in the Operative Complaint,
16 arising during the Class Period, under any federal, state, or local law, and shall specifically include
17 claims for Defendants’ alleged failure to pay minimum wages, alleged failure to pay overtime wages,
18 alleged failure to provide compliant meal periods and premium payments in lieu thereof, alleged
19 failure to provide compliant rest periods and premium payments in lieu thereof, alleged failure to
20 timely pay wages during employment, failure to provide compliant wage statements, alleged failure
21 to timely pay wages upon termination, and alleged failure to reimburse necessary business expenses
22 in violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 210, 510, 512(a),
23 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders,
24 including *inter alia*, Wage Order 1-2001, and all claims for attorneys’ fees and costs and statutory
25 interest in connection therewith, California Business and Professions Code sections 17200, *et seq.*,
26 and any other claims, including claims for statutory penalties, pertaining to the Class Members.

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1 ii. “Released PAGA Claims” means any and all claims arising from any of the
2 factual allegations in the PAGA Letter, arising during the PAGA Period, for civil penalties under the
3 Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, including all
4 claims for attorneys’ fees and costs related thereto, for Defendants’ alleged failure to pay minimum
5 wages, failure to pay overtime wages, failure to provide compliant meal periods and premium
6 payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu
7 thereof, failure to timely pay wages during employment, failure to provide compliant wage statements,
8 failure to timely pay wages upon termination, and failure to reimburse necessary business expenses in
9 violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 210, 510, 512(a), 1194,
10 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter*
11 *alia*, Wage Order 1-2001.

12 jj. “Released Parties” means Defendants and their past, current, and/or future,
13 direct and/or indirect, officers, directors, members, managers, employees, partners, investors,
14 administrators, parent companies, shareholders, subsidiaries, predecessors, successors, and assigns.

15 kk. “Request for Exclusion” means an Exclusion Form or letter submitted by a
16 Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain
17 the case name and number of the Action; (b) contain the Class Member’s full name, signature, address,
18 telephone number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly
19 state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned
20 by mail to the Settlement Administrator at the specified address, postmarked on or before the Response
21 Deadline.

22 ll. “Response Deadline” means the deadline by which Class Members must submit
23 a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that
24 is sixty (60) calendar days from the initial mailing of the Notice Packet by the Settlement
25 Administrator to Class Members, unless the 60th day falls on a Sunday or Federal holiday, in which
26 case the Response Deadline will be extended to the next day on which the United States Postal service
27 is open. The Response Deadline may also be extended by express agreement between Class Counsel
28 and Defendants’ Counsel. Under no circumstances, however, will the Settlement Administrator have

1 the authority to extend the Response Deadline. In the event that a Notice Packet is re-mailed to a Class
2 Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days
3 from the original Response Deadline.

4 mm. “Settlement Administrator” means Apex Class Action LLC, or any other third-
5 party class action settlement administrator agreed to by the Parties and approved by the Court for
6 purposes of administering the Settlement. The Parties and their counsel each represent that they do
7 not have any financial interest in the Settlement Administrator or otherwise have a relationship with
8 the Settlement Administrator that could create a conflict of interest.

9 nn. “Settlement Administration Costs” means the costs payable from the Gross
10 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
11 Paragraph 12.

12 oo. “Settlement Class” or “Settlement Class Member(s)” means all Class Members
13 who do not submit a timely and valid Request for Exclusion.

14 pp. “Workweeks” means the number of weeks each Class Member worked for
15 Defendant Penn Elcom, Inc. as an hourly-paid and/or non-exempt employee in California during the
16 Class Period. Workweeks will be calculated by the Settlement Administrator by adding the total
17 number of Workweeks worked by Class Members between November 7, 2019 to October 11, 2024.

18 qq. “Workweeks Dispute” means a letter submitted by a Class Member disputing
19 the number of Workweeks and/or PAGA Workweeks to which they have been credited, which must:
20 (a) contain the case name and number of the Action; (b) contain the Class Member’s full name,
21 signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security
22 number; (c) clearly state that the Class Member disputes the number of Workweeks and/or PAGA
23 Workweeks credited to the Class Member and what the Class Member contends is the correct number;
24 and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or
25 before the Response Deadline.

26 **STIPULATION OF CLASS CERTIFICATION**

27 7. For the purposes of this Settlement only, the Parties stipulate to the certification of the
28 Class. This stipulation is contingent upon the preliminary and final approval and certification of the

1 Class for purposes of settlement. Should the Settlement not become final, for whatever reason, the fact
2 that the Parties were willing to stipulate provisionally to class certification as part of the Settlement
3 shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class
4 should be certified in a non-settlement context in the Action. Defendants expressly reserve the right
5 to oppose class certification and/or proactively move to deny certification should this Settlement be
6 modified or reversed on appeal or otherwise not become final.

7 8. The Parties agree that certification for the purpose of settlement is not an admission
8 that certification is proper under Section 382 of the California Code of Civil Procedure and is for
9 settlement purposes only. Nothing in this Agreement will be construed as an admission or
10 acknowledgment of any kind that any class should be certified or given collective treatment in the
11 Action or in any other action or proceeding. Further neither this Agreement nor the Court's actions
12 regarding this Agreement will be admissible in any court or other tribunal regarding the propriety of
13 class certification or collective treatment. Should, for whatever reason, the Court not grant Final
14 Approval, the Parties will not be deemed to have waived, limited, or affected in any way any claims,
15 rights, remedies, objections, or defenses in this Action.

16 **TERMS OF THE AGREEMENT**

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

19 9. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application
20 or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the
21 Gross Settlement Amount (i.e., \$52,500.00 if the Gross Settlement Amount is \$150,000.00) and
22 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
23 of the Action, in an amount not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00), both
24 of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work
25 performed and any and all costs incurred by Class Counsel in connection with the litigation of the
26 Action, including without limitation all work performed and costs incurred to date, and all work to be
27 performed and all costs to be incurred in connection with obtaining the Court's approval of this
28 Settlement Agreement, including any objections raised and any appeals necessitated by those

1 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this
2 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
3 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
4 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
5 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

6 10. Enhancement Payment. Defendants agree not to oppose or impede any application or
7 motion by Plaintiff for an Enhancement Payment in the amount up to Seven Thousand Five Hundred
8 Dollars and Zero Cents (\$7,500.00) for his participation and assistance with the Action. The
9 Enhancement Payment, which will be paid from the Gross Settlement Amount, subject to Court
10 approval, will be in addition to his Individual Settlement Payment as a Settlement Class Member and
11 Individual PAGA Payment as a PAGA Employee. Plaintiff shall be solely and legally responsible for
12 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts
13 received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for the Enhancement
14 Payment. Any portion of the requested Enhancement Payment that is not awarded by the Court to
15 Plaintiff shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class
16 Members. The award of an enhancement payment to Plaintiff is not a material term of this Agreement
17 and does not give rise to a basis to abrogate this Agreement.

18 11. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
19 Ten Thousand Dollars and Zero Cents (\$10,000.00) shall be allocated from the Gross Settlement
20 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section
21 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$7,500.00, will be
22 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$2,500.00, will be
23 distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the
24 total number of PAGA Workweeks worked by each PAGA Employee during the PAGA Period (i.e.,
25 the Individual PAGA Payments).

26 12. Settlement Administration Costs. The Settlement Administrator will be paid for the
27 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
28 which is currently not to exceed Five Thousand Five Hundred Dollars and Zero Cents (\$5,500.00).

1 These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will
2 include, *inter alia*, translating the Notice Packet to Spanish, printing, distributing, and tracking Notice
3 Packets and other documents for the Settlement, calculating and distributing payments due under the
4 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
5 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
6 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
7 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
8 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
9 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
10 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
11 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
12 Settlement Class Members.

13 13. Escalator Clause. Defendant Penn Elcom, Inc. has represented that the Class Members
14 worked a total of 3,551 Workweeks during the Class Period. If it is determined by the Settlement
15 Administrator that the total number of Workweeks worked by the Class Members during the Class
16 Period actually exceeds 3,906 (110% of 3,551), then the Gross Settlement Amount will be increased
17 by the same number of percentage points (above 10%) over which the actual number of Workweeks
18 exceeds 3,906. For example, if the actual number of Workweeks is determined to be 2% higher than
19 3,906, the Gross Settlement Amount would be increased by \$3,000.00. At its option, Defendant Penn
20 Elcom, Inc. can avoid increasing the Gross Settlement Amount by electing to end the Class Period and
21 PAGA Period on the date by which the number of Workweeks reaches 3,906.

22 14. Individual Settlement Share Calculations. Individual Settlement Shares will be
23 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
24 Workweeks, as follows:

25 a. After Preliminary Approval, the Settlement Administrator will divide the Net
26 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
27 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
28 to yield each Class Member's estimated Individual Settlement Share that each Class Member may be

1 entitled to receive under the Class Settlement.

2 b. After Final Approval, the Settlement Administrator will divide the final Net
3 Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek
4 Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek
5 Value to each Settlement Class Member’s final Individual Settlement Share.

6 15. Individual PAGA Payment Calculations. Individual PAGA Payments will be
7 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees’
8 number of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA
9 Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA
10 Employees to yield the “PAGA Workweek Value,” and multiply each PAGA Employee’s individual
11 PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee’s Individual
12 PAGA Payment.

13 16. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each
14 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages, and eighty
15 percent (80%) penalties and non-wage damages. The portion allocated to wages will be reported on
16 an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be
17 reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement
18 Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages
19 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
20 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes
21 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross
22 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)
23 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

24 17. Administration of Taxes by the Settlement Administrator. The Settlement
25 Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA
26 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
27 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
28 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll

1 taxes and other legally required withholdings to the appropriate government authorities.

2 18. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel do not
3 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
4 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
5 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation
6 by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement
7 Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class
8 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties
9 assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class
10 Members, and PAGA Employees should consult with their tax advisors concerning the tax
11 consequences of any payment they receive under the Settlement.

12 19. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
13 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
14 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
15 "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
16 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
17 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS
18 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
19 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
20 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
21 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
22 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
23 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
24 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
25 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
26 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
27 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
28 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO

1 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
2 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX
3 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
4 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR
5 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
6 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

7 20. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
8 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
9 are issued to the payee. It is expressly understood and agreed that payments made under this
10 Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee
11 to additional compensation or benefits under any new or additional compensation or benefits, or any
12 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,
13 nor will it entitle Plaintiff, Settlement Class Members, or any PAGA Employee to any increased
14 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding
15 any contrary language or agreement in any benefit or compensation plan document that might have
16 been in effect during the Class Period).

17 21. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
18 Upon execution of this Settlement Agreement, Plaintiff will obtain a hearing date from the Court for
19 Plaintiff's motion for preliminary approval of the Settlement, which Plaintiff and Class Counsel will
20 be responsible for drafting, including the Notice Packet, and submit this Settlement Agreement to the
21 Court in support of said motion. Class Counsel will use best efforts to provide Defendants' Counsel
22 a draft of the preliminary approval motion and Notice Packet at least five (5) calendar days before
23 filing it with the Court. Class Counsel may file the motion and Notice Packet upon receipt of formal
24 approval by Defendants' Counsel. To the extent that any issues/changes are raised by Defendants to
25 the proposed motion and/or Notice Packet, the Parties shall make all efforts to resolve those issues in
26 good faith. Any further disagreement regarding the form of the drafts shall be submitted to the
27 Mediator for determination, whose determination shall be binding. As long as this procedure is
28 followed, Defendants agree not to oppose the motion for preliminary approval of the Settlement that

1 is consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply for the entry
2 of the Preliminary Approval Order seeking the following:

- 3 a. Conditionally certifying the Class for settlement purposes only;
- 4 b. Granting Preliminary Approval of the Settlement;
- 5 c. Preliminarily appointing Plaintiff as the representative of the Class;
- 6 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 7 e. Approving as to form and content, the mutually-agreed upon and proposed
8 Notice Packet and directing its mailing by First Class U.S. Mail;
- 9 f. Approving the manner and method for Class Members to request exclusion
10 from or object to the Class Settlement as contained herein and within the Class Notice;
- 11 g. Scheduling a Final Approval Hearing at which the Court will determine whether
12 Final Approval of the Settlement should be granted.

13 22. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
14 Class Counsel shall notify the LWDA of the Settlement prior to or upon filing the motion for
15 preliminary approval of the Settlement.

16 23. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
17 Defendant Penn Elcom, Inc. will provide the Class List to the Settlement Administrator. To protect
18 the Class Member's rights to privacy, the Settlement Administrator must maintain the Class List in
19 confidence, use the Class List only for purposes of this Settlement and for no other purpose, and restrict
20 access to the Class List to only those employees who need access to the Class List to effect and perform
21 under this Agreement.

22 24. Notice by First-Class U.S. Mail.

23 a. Within seven (7) calendar days after receiving the Class List from Defendant
24 Penn Elcom, Inc., the Settlement Administrator will perform a search based on the National Change
25 of Address Database or any other similar services available, such as provided by Experian, for
26 information to update and correct for any known or identifiable address changes, and will mail a Notice
27 Packet in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all
28 Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified

1 by the Settlement Administrator.

2 b. Any Notice Packet returned to the Settlement Administrator as undeliverable
3 on or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
4 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
5 the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly
6 attempt to determine the correct address using a skip-trace or other search, using the name, address,
7 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
8 calendar days.

9 c. Compliance with the procedures described herein above shall constitute due and
10 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
11 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to
12 provide notice of the Settlement.

13 25. Disputes Regarding Workweeks and/or PAGA Workweeks. Class Members will have
14 an opportunity to dispute the number of Workweeks and/or PAGA Workweeks to which they have
15 been credited, as reflected in their respective Class Notices, by submitting a timely and valid
16 Workweeks Dispute to the Settlement Administrator, by mail, postmarked on or before the Response
17 Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to
18 determine whether a Workweeks Dispute has been timely submitted. Absent evidence rebutting the
19 accuracy of Defendants' records and data as they pertain to the number of Workweeks and/or PAGA
20 Workweeks to be credited to a disputing Class Member, Defendants' records will be presumed to be
21 correct and determinative of the dispute. However, if a Class Member produces information and/or
22 documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the
23 Class Member and the Settlement Administrator will resolve and determine the number of eligible
24 Workweeks and/or PAGA Workweeks that the disputing Class Member should be credited with under
25 the Settlement. The Parties will file with the Court all Workweeks Disputes submitted by Class
26 Members, the evidence submitted, and the resolution of the disputes. Although the Settlement
27 Administrator may make the initial decision regarding any Workweeks Disputes, the Court may
28 review any decision made by the Settlement Administrator regarding any Workweeks Disputes.

1 26. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
2 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
3 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
5 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
6 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are
7 submitted, and also identify the individuals who have submitted a timely and valid Request for
8 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
9 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
10 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
11 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
12 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
13 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
14 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
15 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
16 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
17 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to
18 the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they
19 submit a Request for Exclusion.

20 27. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
21 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
22 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
23 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
24 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
25 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
26 and complete and which were not), and also attach them to a declaration that is to be filed with the
27 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
28 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or

1 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
2 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
3 whether they have submitted a Notice of Objection.

4 28. Reports by the Settlement Administrator. The Settlement Administrator shall provide
5 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
6 Notice Packets; (ii) the number of Class Members who have submitted Workweeks Disputes; (iii) the
7 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of
8 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement
9 Administrator will provide to counsel for the Parties any updated reports regarding the administration
10 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it
11 receives a request from an individual or any other entity regarding inclusion in the Class and/or
12 Settlement or regarding a Workweeks Dispute.

13 29. Defendants' Right to Rescind. If more than seven point five percent (7.5%) of the
14 Class Members submit timely and valid Requests for Exclusion, Defendant Penn Elcom, Inc. may
15 elect to rescind the Settlement Agreement. Defendant Penn Elcom, Inc. must exercise this right of
16 rescission in writing that is provided to Class Counsel within fourteen (14) calendar days of the
17 Settlement Administrator notifying the Parties of the number of Class Members who have submitted
18 timely and valid Requests for Exclusion following the Response Deadline. If Defendant Penn Elcom,
19 Inc. exercises this option, Defendant Penn Elcom, Inc. shall pay any costs of settlement administration
20 owed to the Settlement Administrator incurred up to that date.

21 30. Certification of Completion. Upon completion of administration of the Settlement, the
22 Settlement Administrator will provide a written declaration under oath to certify such completion to
23 the Court and counsel for all Parties.

24 31. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
25 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
26 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
27 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
28 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final

1 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
2 Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
3 Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion
4 before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final
5 Approval Order and Judgment, which will provide for, in substantial part, the following:

6 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
7 consummation of its terms and provisions;

8 b. Certification of the Settlement Class;

9 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

10 d. Approval of the application for Enhancement Payment to Plaintiff;

11 e. Directing Defendant Penn Elcom, Inc. to fund all amounts due under the
12 Settlement Agreement and ordered by the Court; and

13 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in
14 conformity with California Rules of Court 3.769 and the Settlement Agreement.

15 32. Funding of the Gross Settlement Amount. No later than five (5) business days after
16 the Effective Date, Defendant Penn Elcom, Inc. will deposit the Gross Settlement Amount into a
17 Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et*
18 *seq.*, to be established by the Settlement Administrator. Defendant Penn Elcom, Inc. shall provide all
19 information necessary for the Settlement Administrator to calculate necessary payroll taxes including
20 its official name, 8-digit state unemployment insurance tax ID number, and other information
21 requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

22 33. Distribution of the Gross Settlement Amount. Within five (5) business days of the
23 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
24 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
25 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class
26 Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set
27 aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and
28 timely forward these to the appropriate government authorities.

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3 34. Settlement Checks. The Settlement Administrator will be responsible for undertaking
4 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
5 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
6 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
7 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
8 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
9 Members and PAGA Employees are not required to submit a claim to be issued an Individual
10 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
11 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
12 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
13 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
14 of California's Unclaimed Property Fund in the name of the Settlement Class Member and/or PAGA
15 Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil
16 Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class
17 Members, whether or not they cash their settlement checks. Therefore, Defendants will not be
18 required to pay any interest on such amounts. The Settlement Administrator shall undertake amended
19 and/or supplemental tax filings and reporting required under applicable local, state, and federal tax
20 laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or
21 Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment
22 checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Employees
23 whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the PAGA
24 Settlement.

25 35. Class Settlement Release. Upon the Effective Date and full funding of the Gross
26 Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,
27 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
28 Released Class Claims.

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2 36. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
3 Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all
4 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
5 relinquished, and discharged the Released Parties of all Released PAGA Claims.

6 37. Final Approval Order and Judgment. The Parties shall provide the Settlement
7 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
8 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
9 one hundred and eighty (180) calendar days. No individualized notice of the Final Approval Order
10 and Judgment to the Class will be required.

11 38. Continued Jurisdiction. The Court has jurisdiction over the Parties and the subject
12 matter of the Action. The Action includes claims that, while Defendants deny in their entirety, would,
13 if proven, authorize the Court to grant relief pursuant to the applicable statutes. After the Court has
14 granted final approval of the Settlement and after the Court has ordered entry of the judgment pursuant
15 to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California
16 Rules of Court and Section 664.6 of the California Code of Civil Procedure, for the sole purposes of
17 addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement
18 administration matters, and (c) such post-judgment matters as may be appropriate under court rules or
19 as set forth in this Settlement Agreement.

20 39. Effects of Termination or Rescission of Settlement. Termination or rescission of the
21 Settlement Agreement shall have the following effects:

22 a. The Settlement Agreement shall be void and shall have no force or effect, and
23 no Party shall be bound by any of its terms;

24 b. In the event the Settlement Agreement is terminated, Defendants shall have no
25 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
26 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
27 Administrator is notified that the Settlement has been terminated;

28 c. The Preliminary Approval Order, Final Approval Order and Judgment,

1 including any order certifying the Class, shall be vacated;

2 d. The Settlement Agreement and all negotiations, statements, and proceedings
3 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
4 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

5 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
6 statements, or filings in furtherance of the Settlement (including all matters associated with the
7 mediation) shall be admissible or offered into evidence in the Action or any other action for any
8 purpose whatsoever; and

9 f. Any documents generated to bring the Settlement into effect, will be null and
10 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
11 likewise be treated as void from the beginning.

12 40. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
13 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
14 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
15 of action or right herein released and discharged.

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

19 42. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
20 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
21 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
22 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
23 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
24 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),
25 which provide that a written agreement is to be construed according to its terms and may not be varied
26 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
27 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

28 43. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
the Action (including with respect to California Code of Civil Procedure § 583.310), except such

1 proceedings necessary to implement and complete this Settlement Agreement, pending the Final
2 Approval Hearing to be conducted by the Court.

3 44. Amendment or Modification. Prior to the filing of the motion for preliminary approval
4 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
5 except by written agreement signed by counsel for all Parties. After the filing of the motion for
6 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
7 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
8 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
9 constitute a waiver of any other provision.

10 45. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
11 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
12 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
13 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
14 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
15 full authority to enter into this Settlement Agreement, and further intend that this Settlement
16 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
17 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
18 confidentiality provisions that otherwise might apply under state or federal law.

19 46. Signatories. It is agreed that because the members of the Class are so numerous, it is
20 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
21 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
22 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
23 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
24 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
25 Member and PAGA Employee.

26 47. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
27 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

28 48. California Law Governs. All terms of this Settlement Agreement and attached exhibits
hereto will be governed by and interpreted according to the laws of the State of California.

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2 49. Execution and Counterparts. This Settlement Agreement is subject only to the
3 execution of all Parties. However, this Settlement Agreement may be executed in one or more
4 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
5 copies of the signature page, will be deemed to be one and the same instrument.

6 50. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
7 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
8 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into
9 account all relevant factors, present and potential. The Parties further acknowledge that they are each
10 represented by competent counsel and that they have had an opportunity to consult with their counsel
11 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
12 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
13 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
14 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

15 51. Invalidity of Any Provision. Before declaring any provision of this Settlement
16 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
17 possible consistent with applicable precedents so as to define all provisions of this Settlement
18 Agreement valid and enforceable. In the event that any one or more of the provisions contained in this
19 Agreement shall for any reason be held invalid, illegal, or unenforceable in any response, such
20 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants'
21 Counsel and Class Counsel, on behalf of the Parties, the Class, State of California, and PAGA
22 Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision
23 had never been included in this Agreement.

24 52. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
25 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
26 to implement the Settlement.

27 53. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
28 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of

1 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
2 specifically deny, they have violated any federal, state, or local law; violated any regulations or
3 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
4 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation
5 or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this
6 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
7 it, shall be construed as an admission or concession by Defendants of any such violations or failures
8 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
9 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or
10 received as evidence in any action or proceeding to establish any liability or admission on the part of
11 Defendants or to establish the existence of any condition constituting a violation of, or a non-
12 compliance with, federal, state, local or other applicable law.

13 54. Captions. The captions and paragraph numbers in this Settlement Agreement are
14 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
15 intent of the provisions of this Settlement Agreement.

16 55. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
17 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
18 construed more strictly against one Party than another merely by virtue of the fact that it may have
19 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
20 negotiations between the Parties, all Parties have contributed equally to the preparation of this
21 Settlement Agreement.

22 56. Representation By Counsel. The Parties acknowledge that they have been represented
23 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
24 that this Settlement Agreement has been executed with the consent and advice of counsel, and
25 reviewed in full.

26 57. All Terms Subject to Final Court Approval. All amounts and procedures described in
27 this Settlement Agreement herein will be subject to final Court approval and entry of judgment. The
28 Parties agree to take all steps as may be reasonably necessary to secure both preliminary approval and

1 59. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
2 cooperate with each other in good faith and use their best efforts to implement the Settlement,
3 including and not limited to, executing all documents to the extent reasonably necessary to effectuate
4 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or
5 content of any document needed to implement the Settlement Agreement, or on any supplemental
6 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties
7 may seek the assistance of the Mediator and then the Court to resolve such disagreement.


8 60. Binding Agreement. The Parties warrant that they understand and have full authority
9 to enter into this Settlement, and further intend that this Settlement Agreement will be fully
10 enforceable and binding on all Parties subject to Court approval, and agree that it will be admissible
11 and subject to disclosure in any proceeding to enforce its terms.

12 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
13 Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:

14 **IT IS SO AGREED.**

15 **PLAINTIFF EDGAR CORRAL**

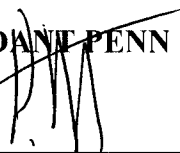
16 Dated: 07/14/2025

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Edgar Corral

18 **DEFENDANT PENN ELCOM, INC.**

19 Dated: JUN 20, 2025

20 

21 Full Name: PHIL STRATFORD

22 Title: CEO

23 On behalf of Penn Elcom, Inc.

24 **DEFENDANT OPTIMUM EMPLOYER
SOLUTIONS, LLC**

25 Dated: _____

26 _____
Full Name: _____

27 Title: _____

28 On behalf of Optimum Employer Solutions,
LLC

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2 59. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
3 cooperate with each other in good faith and use their best efforts to implement the Settlement,
4 including and not limited to, executing all documents to the extent reasonably necessary to effectuate
5 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or
6 content of any document needed to implement the Settlement Agreement, or on any supplemental
7 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties
8 may seek the assistance of the Mediator and then the Court to resolve such disagreement.

9 60. Binding Agreement. The Parties warrant that they understand and have full authority
10 to enter into this Settlement, and further intend that this Settlement Agreement will be fully
11 enforceable and binding on all Parties subject to Court approval, and agree that it will be admissible
12 and subject to disclosure in any proceeding to enforce its terms.

13 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
14 Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:

15 **IT IS SO AGREED.**

16 **PLAINTIFF EDGAR CORRAL**

17
18 Dated: _____

Edgar Corral

19
20 **DEFENDANT PENN ELCOM, INC.**

21 Dated: _____

Full Name: _____

22
23 Title: _____

On behalf of Penn Elcom, Inc.

24
25 **DEFENDANT OPTIMUM EMPLOYER
SOLUTIONS, LLC**

26 Dated: Jul 11, 2025

Deanna Wietor

27 Full Name: Deanna Wietor

28 Title: VP of Client Experience

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On behalf of Optimum Employer Solutions,
LLC

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC



Dated: July 16, 2025

Alexandra Rose
*Attorney for Plaintiff Edgar Corral
and Proposed Class Counsel*

KAHANA & FELD LLP



Dated: July 11, 2025

Mimi Ahn
*Attorney for Defendants Penn Elcom, Inc. and
Optimum Employer Solutions, LLC*

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Edgar Corral v. Penn Elcom, Inc., et al.
Orange County Superior Court, Case No. 30-2023-01363928-CU-OE-CXC

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendants’ records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.

YOU HEREBY ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Edgar Corral (“Plaintiff”) and Defendants Penn Elcom, Inc. and Optimum Employer Solutions, LLC (together, “Defendants”) (Plaintiff and Defendants are collectively referred to as the “Parties”) in the case entitled *Edgar Corral v. Penn Elcom, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01363928-CU-OE-CXC (“Action”), which may affect your legal rights.

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member(s)**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant Penn Elcom, Inc. within the State of California at any time during the Class Period.

“**Class Period**” means the period from November 17, 2019 through **October 11, 2024**.

“**Class Settlement**” means the settlement and resolution of all Released Class Claims (defined below).

“**PAGA Employee(s)**” means all current and/or former hourly-paid or non-exempt employees who worked for Defendant Penn Elcom, Inc. within the State of California at any time during the PAGA Period.

“**PAGA Period**” means the period from November 7, 2022 through **October 11, 2024**.

“**PAGA Settlement**” means the settlement and resolution of all Released PAGA Claims (defined below).

II. BACKGROUND OF THE ACTION

On November 7, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated (“PAGA Letter”). On November 17, 2023, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Action. On January 12, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint (“Operative Complaint”), adding a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”).

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendants deny all of the allegations in the Action and/or that they violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement

Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action LLC as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Edgar Corral as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Karen I. Gold
Marissa A. Mayhood
Sara Pezeshkpour
Noam Y. Reiffman
Alexandra Rose
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Hundred Fifty Thousand Dollars (\$150,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$52,500.00 if the Gross Settlement Amount is \$150,000.00), and reimbursement of litigation costs and expenses, not to exceed Fifteen Thousand Dollars (\$15,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) to Plaintiff for his services in the Action; (3) the amount of Ten Thousand Dollars (\$10,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$7,500.00) (“LWDA Payment”) and the remaining 25% (\$2,500.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Five Thousand Five Hundred Dollars (\$5,500.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendant Penn Elcom, Inc. as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment"). The employers' share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes") will be paid by Defendants separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment") based on the number of weeks each PAGA Employee worked for Defendant Penn Elcom, Inc. as an hourly-paid and/or non-exempt employee in California during the PAGA Period ("PAGA Workweeks"). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the "PAGA Workweek Value," and multiplied each PAGA Employee's individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendants' Records

According to Defendants' records:

- From November 17, 2019 through **October 11, 2024** (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks for Defendant Penn Elcom, Inc.
- From November 7, 2022 through **October 11, 2024** (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Workweeks for Defendant Penn Elcom, Inc.

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator ("Workweeks Dispute"). The Workweeks Dispute must: (a) contain the case name and number of the Action (*Corral v. Penn Elcom, Inc., et al.*, Case No. 30-2023-01363928-CU-OE-CXC); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

Absent evidence rebutting the accuracy of Defendants' records and data as they pertain to the number of Workweeks and/or PAGA Workweeks to be credited to a disputing Class Member, Defendants' records will be presumed to be correct and determinative of the dispute. However, if a Class Member produces information and/or documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or PAGA Workweeks that the disputing Class Member should be credited with under the Settlement.

The Parties will file with the Court all Workweeks Disputes submitted by Class Members, the evidence submitted, and the resolution of the disputes. Although the Settlement Administrator may make the initial decision regarding any Workweeks Disputes, the Court may review any decision made by the Settlement Administrator regarding any Workweeks Disputes.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court issues final approval of the Settlement.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court issues final approval of the Settlement.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically include claims for Defendants’ alleged failure to pay minimum wages, alleged failure to pay overtime wages, alleged failure to provide compliant meal periods and premium payments in lieu thereof, alleged failure to provide compliant rest periods and premium payments in lieu thereof, alleged failure to timely pay wages during employment, alleged failure to provide compliant wage statements, alleged failure to timely pay wages upon termination, and alleged failure to reimburse necessary business expenses in violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 210, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 1-2001, and all claims for attorneys’ fees and costs and statutory interest in connection therewith, California Business and Professions Code sections 17200, *et seq.*, and any other claims, including claims for statutory penalties, pertaining to the Class Members.

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, including all claims for attorneys’ fees and costs related thereto, for Defendants’ alleged failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses in violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 210, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 1-2001.

“Released Parties” means Defendants and their past, current, and/or future, direct and/or indirect, officers, directors, members, managers, employees, partners, investors, administrators, parent companies, shareholders, subsidiaries, predecessors, successors, and assigns.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount

(i.e., \$52,000.00 if the Gross Settlement Amount is \$150,000.00) and reimbursement of litigation costs and expenses not to exceed Fifteen Thousand Dollars (\$15,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs approved by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500.00) (“Enhancement Payment), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Five Thousand Five Hundred Dollars (\$5,500.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter indicating a request to be excluded from the Class Settlement, as described below, or by completing and submitting the accompanied Request for Exclusion Form (both of which are referred to as a “Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Corral v. Penn Elcom, Inc., et al.*, Case No. 30-2023-01363928-CU-OE-CXC); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

PAGA Employees cannot request exclusion from the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. PAGA Employees will be bound to the PAGA Settlement even if they do not cash their Individual PAGA Payments.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection, as described below, or by completing and submitting the accompanied Notice of Objection Form (both of which are referred to as a “Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Corral v. Penn Elcom, Inc., et al.*, Case No. 30-2023-01363928-CU-OE-CXC); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department CX104 of the Orange County Superior Court, located at Civil Complex Center, 751 W. Santa Ana Blvd., Santa Ana, California 92701, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through Zoom online at: <https://www.occourts.org/general-information/covid-19-response/civil-covid-19-response/civil-remote-hearings>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action for a fee by using the computer terminals at the Central Justice Center, 700 Civic Center Drive West, Santa Ana, California 92701. The documents filed in the Action can also be accessed online at the Orange County Superior Court’s website, known as “Public Case Access System,” at the following web address:

<https://civilwebshopping.occourts.org/Login.do>

After navigating to the Orange County Superior Court’s Public Case Assess System website and clicking on ‘Accept Terms,’ enter Case No. ‘01363928’ in the box provided, then enter the year ‘2023’ in the box provided, click on the ‘I’m not a robot’ box, and then click ‘SEARCH.’ Thereafter, you should be able to view documents filed in the case which have been imaged by the Court and information that has been made available by the Court, for free or at a minimal

charge.

You may also visit the Settlement Administrator's website at [REDACTED] for more information and documents relating to the Settlement, including the Settlement Agreement, Class Notice, Request for Exclusion Form, Notice of Objection Form, Operative Complaint, PAGA Letter, Preliminary Approval Order, and Final Approval Order and Judgment. The Final Approval Order and Judgment will be posted on the Settlement Administrator's website for a period of one hundred and eighty (180) calendar days.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT B

REQUEST FOR EXCLUSION FORM

Edgar Corral v. Penn Elcom, Inc., et al.

Orange County Superior Court, Case No. 30-2023-01363928-CU-OE-CXC

USE THIS FORM ONLY IF YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT.

If you wish to exclude yourself from the Class Settlement, you must read and sign the following statement and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

I request to be excluded from the class action settlement in the matter of *Edgar Corral v. Penn Elcom, Inc., et al.* By excluding myself from the class action settlement, I understand that I will not be bound by the settlement and release of the Released Class Claims, and I will not receive an Individual Settlement Payment. I understand that, nevertheless, if I am a PAGA Employee, I will still be bound by the settlement and release of the Released PAGA Claims and will be issued an Individual PAGA Payment.

Date: _____

Full Name: _____

Address: _____

Phone Number: _____

Signature: _____

If you do not wish to exclude yourself from the Class Settlement (and you wish to receive payment from the Class Settlement), you should not return this form – you do not need to take any action.

EXHIBIT C

NOTICE OF OBJECTION FORM

Edgar Corral v. Penn Elcom, Inc., et al.

Orange County Superior Court, Case No. 30-2023-01363928-CU-OE-CXC

USE THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you wish to object to the Class Settlement, you must state all grounds for your objection (space is provided below for doing so), accompanied by any legal support for such objection and copies of any papers, briefs, or other documents upon which your objection is based, sign and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

I wish to object to the Class Settlement on the following grounds:

Full Name: _____

Date: _____

Address: _____

Phone Number: _____

Signature: _____

If you do not wish to object to the Class Settlement – you do not need to take any action.