

1 Ronald W. Makarem (SBN 1280442)
William A. Baird, Esq. (Of Counsel) (SBN 192675)
2 Daniel J. Bass (SBN 287466)
3 **MAKAREM & ASSOCIATES APLC**
11601 Wilshire Boulevard, Suite 2440
4 Los Angeles, CA 90025-1760
Phone: (310) 312-0299; Fax: (310) 312-0296
5

6 Michael H. Kim (SBN 200792)
MICHAEL H. KIM, P.C.
1633 Bayshore Highway, Suite 333
7 Burlingame, CA 94010
8 Telephone: (650) 697-8899
Fax: (650) 697-8896
9

10 Attorneys for Plaintiff FRANCISCO SANCHEZ and GLENN
DERRICK HOPSON, individually and on behalf of all others similarly situated

11 James P. Carter (SBN 150052)
12 Kelli M. Dreger (SBN 267404)
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
13 Irvine, CA 92618
14 Phone: (949) 885-1360
15 Fax: (949) 885-1380
sean.shahabi@jacksonlewis.com
16 kelli.winkle@jacksonlewis.com

17 Attorneys for Defendant ARB, INC.

18 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
19 **FOR THE COUNTY OF ORANGE, CENTRAL JUSTICE CENTER**
20

21 FRANCISCO SANCHEZ, individually
and on behalf of all others similarly
22 situated,

23 Plaintiff,

24 vs.

25 ARB, INC., a California corporation; and
DOES 1-20 inclusive,

26 Defendants.
27
28

CASE NO.: 30-2016-00837130-CU-OE-CXC

[Assigned to Hon. James DiCesare, Dept. C16]

**AMENDED JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE**

Complaint Filed: February 22, 2016

1 Parties conducted a private mediation with reputable mediator Gig Kyriacou on January 21,
2 2020. This was the second mediation in this matter, as the parties previously participated in a private
3 mediation on November 7, 2017, with Steve Serratore. Unfortunately, neither mediation was successful
4 in resolving the mater.

5 Plaintiffs filed an amended complaint on November 12, 2020, adding Plaintiff Hopson as a
6 party-plaintiff and proposed class representative. On May 21, 2021, the Court issued an order certifying
7 Plaintiffs' Motion for Class Certification with respect to Plaintiffs' wage statement class. The Court
8 certified the following class as to that Section 226 claim: "All current and former non-exempt
9 employees employed by ARB, Inc. in California during the period of February 22, 2015 to January 18,
10 2018". The Court, however, denied certification on Plaintiffs' minimum wage and unpaid overtime
11 class. Consistent with the Court's certification ruling, on or about May 28, 2021, Plaintiffs filed a Second
12 Amended Complaint, electing to pursue the class action on their claims for non-compliant wage statements.
13 On June 4, 2021, Plaintiffs filed a Second Amended Complaint, alleging the same ten causes of action,
14 but limiting the Class claims to the 5th cause of action for "failure to furnish accurate wage statements"
15 and 7th cause of action for "failure to maintain required records" with the remaining claims limited to the
16 named Plaintiffs on an individual basis.

17 On July 16, 2021, the Parties stipulated to the filing of a Third Amended Complaint removing
18 the sixth and seventh causes of action for (6) Failure to Pay All Wages Earned; and (7) Failure to
19 Maintain Required Records. The Proposed Third Amended Complaint asserts a single class claim for
20 Failure to Furnish Accurate Wage Statements, pursuant to Labor Code §226(a). (See Fifth Cause of
21 Action in the TAC). No consideration was provided between the Parties to dismiss the class action
22 claim for: (6) Failure to Pay All Wages Earned and (7) Failure to Maintain Required Records.

23 On August 18, 2021, the Parties mediated this matter for a third time and, though they were
24 unable to reach a settlement agreement that day, tentatively agreed to the terms of a settlement through a
25 mediator's proposal accepted by all Parties on August 24, 2021. As a result of mediation and arm's-
26 length negotiations, the Parties reached a Settlement Agreement. However, due to a clerical error, the
27 Third Amended Complaint was not filed until December 17, 2021, becoming the operative complaint
28 upon which, the settlement is to be based. Following the filing of the Third Amended Complaint, Parties

1 reached this amended settlement agreement, correcting the issue of the Third Amended Complaint as
2 directed by the Court.

3 **DEFINITIONS**

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

6 1. □ “Action” means *Sanchez et al. v. ARB, Inc.*, Case No. 30-2016-00837130-CU-OE-
7 CXC, Superior Court of California for the County of Orange.

8 2. □ “Class Counsel” means Makarem & Associates, APLC and Michael H. Kim, P.C.

9 3. □ “Class Member(s)” or “Settlement Class” means all current and former non-exempt
10 employees employed by Defendant in California from February 22, 2015 through January 18, 2018.

11 4. □ “Court” means the Superior Court of California for the County of Orange.

12 5. □ “Defendant” or “Released Parties” means Defendant and all of its present and former
13 parents and joint ventures, and all of their shareholders, members, managers, officers, officials,
14 directors, employees, agents, servants, registered representatives, attorneys, insurers, successors, and
15 assigns, and any other persons acting by, through, under, or in concert with any of them.

16 6. □ “Effective Date” means the latest of the following dates: (i) the date upon which the
17 Court grants final approval of the Settlement if no Settlement Class members file objections to the
18 Settlement; or (ii) if a Class Member files an objection to the Settlement, sixty (60) days after the date
19 upon which the Court grants final approval of the Settlement if no appeal is initiated by an objector; or
20 (iii) if a timely appeal is initiated by an objector, the Effective Date shall be the date of final resolution
21 of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final
22 judicial approval of the Settlement.

23 7. □ “Gross Settlement Amount” is the amount of Three Million Two Hundred and Fifty
24 Thousand Dollars (\$3,250,000.00), which is the amount to be paid by Defendant pursuant to this
25 Settlement Agreement. The Gross Settlement Amount is non-reversionary and includes: (a) all
26 Individual Settlement Payments to Participating Class Members; (b) the Class Representative
27 Enhancement Payments to Plaintiffs; (c) Attorneys’ Fees and Costs to Class Counsel, and (d) Settlement
28 Administration Costs to the Settlement Administrator. All Individual Settlement Payments to

1 Participating Class Members are for penalties and shall be paid without any tax withholdings. Defendant
2 will have no obligation to pay any amount in connection with this Settlement Agreement apart from the
3 Gross Settlement Amount.

4 8.□ “Individual Settlement Payment” means a Participating Class Member’s share of the Net
5 Settlement Amount. Form 1099 will be distributed at times and in the manner required by the Internal
6 Revenue Code of 1986, as amended (the “Code”) and consistent with this Agreement with respect to
7 payments made to the Participating Class Members.

8 9.□ “Net Settlement Amount” means the Gross Settlement Amount less deductions for the
9 Class Representative Enhancement Payments, Attorneys’ Fees and Costs, and Settlement Administration
10 Costs.

11 10.□ “Notice of Class Action Settlement” means the Notice of Class Action Settlement and
12 Request for Exclusion Form, together attached as Exhibit A and Exhibit B respectively, to be mailed to
13 all members of the Settlement Class upon Preliminary Approval.

14 11.□ “Participating Class Members” means all Class Members who do not submit valid
15 Requests for Exclusion.

16 12.□ “Preliminary Approval” means the Court order granting preliminary approval of the
17 Settlement Agreement.

18 13.□ “Released Claims” means all claims released by Plaintiff and Class Members, as defined
19 below.

20 14.□ “Released Claims Period” means the period from February 22, 2015 through January 18,
21 2018.

22 15.□ “Response Deadline” means the deadline by which Class Members must postmark to the
23 Settlement Administrator Requests for Exclusion or Objections to the Settlement. The Response
24 Deadline will be sixty (60) calendar days from the initial mailing of the Notice of Class Action
25 Settlement by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in
26 which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is
27 open.

1 Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance
2 with, federal, state, local or other applicable law.

3 20. No Admission of Liability. For settlement purposes only, the Parties agree to resolution
4 of the Settlement Class in accordance with the terms of this Settlement Agreement. If, for any reason,
5 the Settlement is not fully and finally approved and/or the Effective Date does not occur, the stipulation
6 will be void *ab initio*, and Defendant will not be deemed to have waived or limited any objections or
7 defenses to any matter. The Parties further agree that nothing in this Settlement Agreement will be
8 construed as an admission or acknowledgement in this or any other proceeding that Defendant is liable
9 to Plaintiffs or any Class Member other than in accordance with the terms of this Settlement.

10 21. Waiver and Release. Plaintiffs and all Class Members who do not submit a valid and
11 timely Request for Exclusion, including their agents, spouses, domestic partners, representatives,
12 guardians ad litem, heirs, executors, administrators, successors, attorneys, and assigns, past, present and
13 future, shall, for the Released Claims Period, fully and finally waive, release, and forever discharge the
14 Released Parties from the class claim (Fifth Cause of Action for Failure to Furnish Accurate Wage
15 Statements) asserted in the Third Amended Class Action Complaint (“Released Claims”). The Released
16 Claims include, but are not limited to, any claims, rights, demands, liabilities, and causes of action of
17 any kind or nature in law or in equity, under any theory, whether contract, common law, constitutional,
18 statutory or otherwise, of any jurisdiction, foreign or domestic, whether known or unknown, anticipated
19 or unanticipated, including for damages, restitution, penalties, interest, costs, attorneys’ fees, expenses,
20 equitable relief, injunctive relief, and any other relief that could have been asserted based on the released
21 class claim.

22 This waiver and release will be final and binding on the Effective Date, and will have every
23 preclusive effect permitted by law. Plaintiffs and Class Members will not file, and will not request any
24 other party or entity to file on their behalf, any claim, complaint, charge or request for damages or any
25 other relief released above, including with any local, state, or federal governmental or quasi-
26 governmental agency or any state, administrative, or federal court, or any licensing or accreditation
27 organization, against the Released Parties.

1 22. Individual Settlement Payment Calculations. Individual Settlement Payments will be
2 calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a
3 Participating Class Member worked for Defendant during the Released Claims Period. The Settlement
4 Administrator will calculate the total number of Workweeks worked by each Class Member for
5 Defendant during the Released Claims Period and the aggregate total number of Workweeks worked by
6 all Settling Class Members for Defendant during the Released Claims Period. For purposes of making
7 these calculations, the Settlement Administrator will use the payroll records produced by Defendant
8 which Defendant will provide to the Settlement Administrator within fourteen (14) days of Preliminary
9 Approval. Using these payroll records, the Settlement Administrator will deem any week in which a
10 Class Member received pay a Workweek. To determine each Class Member's estimated "Individual
11 Settlement Payment," the Settlement Administrator will use the following formula: The Net Settlement
12 Amount will be divided by the aggregate total number of Workweeks, resulting in the "Workweek
13 Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each
14 individual Class Member's total number of Workweeks by the Workweek Value. The Individual
15 Settlement Payment will be reduced by any required deductions for each Participating Class Member,
16 including appropriate tax withholdings or deductions. The Parties agree that the formula described
17 herein is reasonable and that the payments are designed to provide a fair settlement to each Settlement
18 Class Member in light of the uncertainties regarding the compensation alleged to be owed and the
19 calculation of such amounts. The Individual Settlement Payments are for penalties and shall be paid
20 without any taxes being withheld, and shall be reported on Form 1099.

21 23. Attorneys' Fees and Costs. Class Counsel will seek an award of Attorneys' Fees of not
22 more than thirty-five percent (35%) of the Gross Settlement Fund, or One Million One Hundred Thirty-
23 Seven Thousand and Five Hundred Dollars (\$1,137,500.00) in attorneys' fees, and attorneys' reasonable
24 litigation costs (including any expert costs) of not more than Fifty Thousand Dollars (\$50,000.00), and
25 Defendant agrees not to oppose such application. These amounts include, without limitation, all time
26 expended by Plaintiffs' Counsel in litigating this action, negotiating this settlement, conducting pre-
27 litigation investigations and discovery, preparing the Settlement Agreement and securing Preliminary
28

1 and Final Approval (including any appeals therein), and there will be no additional charge of any kind to
2 either the Settlement Class Members or Defendant for such work.

3 All Attorneys' Fees and Costs will be paid from the Gross Settlement Amount. Plaintiffs and
4 Class Counsel will not have the right to revoke this Settlement in the event that the Court does not
5 approve the amount of Attorneys' Fees and Costs sought by Class Counsel. If the Court reduces the
6 requested attorneys' fees, costs and expenses, any such reduction will be added to the Net Settlement
7 Amount available to class members.

8 24. Class Representative Enhancement Payment. Plaintiffs will apply to the Court for a
9 Class Representative Enhancement Payment of not more than Fifteen Thousand Dollars (\$15,000) each,
10 for a total of Thirty Thousand Dollars (\$30,000), without deductions, for their effort and work in
11 prosecuting the Action on behalf of Class Members, and Defendant agrees not to oppose such
12 application. The Class Representative Enhancement Payment, which will be paid from the Gross
13 Settlement Amount, will be in addition to Plaintiffs' right to an Individual Settlement Payment.
14 Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the payments made
15 pursuant to this paragraph and will hold Defendant harmless from any claim or liability for taxes,
16 penalties, or interest arising as a result of the payments. Plaintiffs will not have the right to revoke this
17 Settlement in the event that the Court does not approve the amount sought by Plaintiffs as a Class
18 Representative Enhancement Payment. If the Court reduces the requested Class Representative
19 Enhancement Payment, any such reduction will be added to the Net Settlement Amount.

20 25. Settlement Administration Costs. The Settlement Administrator will be paid for the
21 reasonable costs of administration of the Settlement and calculation and distribution of payments, up to a
22 maximum of \$30,000. These costs, which will be paid from the Gross Settlement Amount, will include,
23 *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 IRS
24 Forms, preparing, distributing, and tracking Notices of Class Action Settlement, confirming/auditing
25 claims for payments for compliance with the Settlement, calculating and distributing all payments to be
26 made pursuant to the Settlement, and providing reports and declarations.

27 26. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
28 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval

1 Order for: (i) preliminary approval of the proposed Settlement Agreement, and (ii) setting a date for a
2 Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
3 Notice of Class Action Settlement to be sent to all Class Members as specified herein. In conjunction
4 with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth
5 the terms of this Settlement, and will include the proposed Notice of Class Action Settlement and
6 proposed Estimated Distribution Form.

7 27. Delivery of the Class List. “Class List” means a complete list of all Class Members that
8 Defendant will diligently and in good faith request and compile from Defendant’s records. The Class
9 List will include the following information from Defendant’s records: each Class Member’s full name;
10 most recent mailing address and telephone number. Within twenty-one (21) days of Preliminary
11 Approval, Defendant will provide the Class List to the Settlement Administrator; Plaintiffs’ counsel will
12 not receive a copy of the list.

13 28. Notices of Class Action Settlement. Within seven (7) days of receipt of the Class List,
14 the Settlement Administrator will mail a Notice of Class Action Settlement to all Class Members via
15 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
16 List. The Notice of Class Action Settlement will be in the form attached as Exhibit A, or as provided by
17 Court order, and will include, but not be limited to, information regarding the nature of the Action; a
18 summary of the substance of the Settlement, including Defendant’s denial of liability; the definition of
19 the Settlement Class; the procedure and time period for objecting to the Settlement and participating in
20 the Final Approval hearing; how settlement payments will be calculated; a statement that the Court has
21 preliminarily approved the Settlement; a statement that Class Members will release the settled claims
22 unless they opt out, a Request for Exclusion Form is attached hereto as Exhibit B; information regarding
23 the opt-out procedure; and the estimated payment based on Workweeks as contained in the Notice of
24 Class Action Settlement attached hereto as Exhibit A.

25 29. If the total number of Class Members increases by five percent (5%) or more from the
26 Parties’ estimate of 3,993 total Class Members, as determined before the notice of class settlement is
27 distributed to the Class Members, the Gross Settlement Amount shall increase by the same percentage.
28

1 For example, if the total number of Class Members increases by ten percent (10%), the Gross Settlement
2 Amount shall automatically increase by ten percent (10%).

3 30. Confirmation of Contact Information. Prior to mailing, the Settlement Administrator will
4 perform a search based on the National Change of Address Database for information to update and
5 correct for any known or identifiable address changes. Any Notices of Class Action Settlement returned
6 to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent
7 promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto, and the Settlement
8 Administrator will indicate the date of such re-mailing on the Notice of Class Action Settlement. If no
9 forwarding address is provided, the Settlement Administrator will promptly attempt to determine the
10 correct address using an Accurint search/skip-trace, and will then perform a single re-mailing. With
11 regard to any Class Member whose Notice of Class Action Settlement is returned as non-deliverable,
12 and for whom the Settlement Administrator is unable to determine a reliable address using reasonable
13 and customary methods, their Individual Settlement Payment will be provided by the Settlement
14 Administrator as part of the funds that will escheat to the State of California Unclaimed Wages Fund as
15 described in Paragraph 44 below.

16 31. Disputed Information on Notices of Class Action Settlement. Class Members will have
17 an opportunity to dispute their number of Workweeks as stated in their Estimated Distribution Form,
18 provided they file a dispute with the Settlement Administrator in writing postmarked, faxed, or emailed
19 no later than 30 days after the mailing of the Notices of Class Action Settlement. To the extent that
20 Class Members dispute the number of Workweeks, Class Members may produce evidence to the
21 Settlement Administrator showing that such information is inaccurate. The Settlement Administrator
22 will advise the Parties of such dispute. Defendant's records will be presumed correct, but the Settlement
23 Administrator will evaluate the evidence submitted by the Class Member and will make the preliminary
24 decision as to the merits of the dispute within seven (7) days of receipt of the dispute. The Court shall
25 have final decision-making authority as to the result of each objection.

26 32. Requests for Exclusion. Any Class Member who does not affirmatively opt out of the
27 Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of
28 the Settlement Agreement's terms, including those pertaining to the Released Claims, as well as any

1 Judgment that may be entered by the Court if it grants final approval of the Settlement. Any Class
2 Member wishing to opt-out from the Settlement Agreement must sign and postmark a written “Request
3 for Exclusion” to the Settlement Administrator within the Response Deadline. The Request for
4 Exclusion must: (i) set forth the name, address, telephone number and the last four digits of the Social
5 Security Number of the Class Member requesting exclusion; (ii) be signed by the Class Member; (iii) be
6 returned to the Settlement Administrator; (iv) clearly state that the Class Member does not wish to be
7 included in the Settlement; and (v) be postmarked, faxed, or emailed on or before the Response
8 Deadline. The postmark, fax, or email date will be the exclusive means to determine whether a Request
9 for Exclusion has been timely submitted. The Parties and their attorneys and the Plaintiffs will not
10 solicit or encourage any Class Member, directly or indirectly, to opt out of the Settlement Agreement.

11 33. Defective Submissions. If a Class Member’s Request for Exclusion is defective as to the
12 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
13 Settlement Administrator will attempt to contact the Class Member by telephone and mail the Class
14 Member a cure letter within three (3) business days of receiving the defective submission to advise the
15 Class Member that his or her submission is defective and that the defect must be cured to render the
16 Request for Exclusion valid. The Class Member will have until (i) the Response Deadline or (ii) fifteen
17 (15) calendar days from the date of the cure letter, whichever date is later, to postmark, fax, or email a
18 revised Request for Exclusion. If the revised Request for Exclusion is not postmarked, faxed, or
19 emailed within that period, it will be deemed untimely.

20 34. Objection Procedures. To object to the Settlement Agreement (“Objection”), a Class
21 Member can either submit a written Objection to the Settlement Agreement or appear at the Final
22 Approval hearing in person or by and through counsel, to state and argue his/her objection to the
23 Settlement. If a written Objection is submitted, the Objection must be mailed, faxed, or emailed to the
24 Settlement Administrator on or before the Response Deadline. The Objection must include: (a) the
25 objector’s full name, signature, address, and telephone number, and (b) a written statement of all
26 grounds for the Objection. If the Objection is missing any of the information specified above, it is
27 deemed defective and invalid. Alternatively, Class Members may appear, in person or through counsel
28 of their choice, at the Final Approval Hearing to argue and present their Objections to the Court. At no

1 time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to
2 submit Objections to the Settlement Agreement or appeal from the Order and Judgment.

3 35. Reports Regarding Settlement Administration. The Settlement Administrator will
4 provide Defendant's counsel and Class Counsel a weekly report that certifies the number of Class
5 Members who have submitted valid Requests for Exclusion, Objections, and disputes regarding dates
6 they performed work and/or Workweeks calculations. Additionally, the Settlement Administrator will
7 provide to counsel for both Parties any updated reports regarding the administration of the Settlement
8 Agreement as needed or requested and will immediately forward to the Parties any objections mailed to
9 the Claims Administrator.

10 36. Rights of Termination. Except as set forth above, if the Court or, in the event of an
11 appeal, any appellate court refuses to approve, or modifies, any material aspect of this Agreement or the
12 proposed Preliminary Approval Order or Final Approval Order and Judgment, including but not limited
13 to any judicial findings included therein, Plaintiffs or Defendant may terminate this Agreement and the
14 Settlement as set forth below. The Parties acknowledge and agree that any modification to the terms of
15 this Agreement relating to the scope of the release, or to Defendant's financial obligations, shall be
16 deemed a material modification constituting grounds for cancellation or termination of the Agreement
17 and the Settlement.

18 Within fifteen (15) days of the Settlement Administrator receiving notice from any Party of such
19 termination or failure, (i) the Settlement Administrator shall return the balance of the settlement fund,
20 including any interest, to Defendant, and (ii) the Settlement Administrator shall provide the Parties with
21 a report of all Administration Costs incurred. The Party terminating the Agreement will be responsible
22 for paying any Administration Costs. If the Parties mutually terminate the Agreement, Plaintiffs and
23 Defendant each will be responsible for paying fifty percent (50%) of any Administration Costs.

24 37. Limited Right to Cancel. If five percent (5%) or more of the Class Members submit valid
25 and timely Requests for Exclusion, Defendant shall have the absolute right, in its sole discretion, and
26 notwithstanding any other provisions of the Settlement Agreement, to withdraw from, and cancel,
27 without penalty whatsoever, the Settlement Agreement in its entirety. If Defendant exercises the right to
28 cancel, it shall pay the costs incurred by the Settlement Administrator up to that date. If this right is

1 exercised by Defendant, the Settlement Agreement will be null and void for all purposes and may not be
2 used or introduced in further litigation. The right can be exercised only by a writing stating clearly that
3 Defendant is canceling, and withdrawing from, the Settlement Agreement, which is sent by Defendant's
4 counsel to Class Counsel by mail or email no later than five (5) business days after the Response
5 Deadline. If the right provided in this paragraph is not so exercised, it shall be waived and cannot later
6 be exercised.

7 38. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
8 deadlines to postmark, fax, or email Requests for Exclusion or Objections to the Settlement Agreement,
9 and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
10 determine the Final Approval of the Settlement Agreement along with the amounts properly payable for:
11 (i) Individual Settlement Payments; (ii) the Class Representative Enhancement Payment; (iii) Attorneys'
12 Fees and Costs; and (iv) all Settlement Administration Costs. The Final Approval/Settlement Fairness
13 Hearing will not be held earlier than thirty (30) days after the Response Deadline. Class Counsel will be
14 responsible for drafting all documents necessary to obtain final approval, and will provide Defendant's
15 counsel reasonable opportunity to review and provide comments regarding such documents before they
16 are filed. Class Counsel will also be responsible for drafting the attorneys' fees and costs application.

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

19 40. Invalidity of Any Provision. Before declaring any provision of this Settlement
20 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of this Settlement
22 Agreement as valid and enforceable.

23 41. Judgment and Continued Jurisdiction. Contemporaneous with Plaintiffs filing the motion
24 for final approval of the settlement, the Parties will present an agreed form of the Proposed Judgment to
25 the Court for its consideration. The Court, in its discretion, may enter a Judgment approved by it. After
26 entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i)
27 the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters,
28 and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this

1 Settlement Agreement pursuant to California Code of Civil Procedure section 664.6. In the event that a
2 motion to enforce this Agreement is required to be filed due to a party's failure to comply with the terms
3 herein, the prevailing party shall be awarded reasonable attorneys' fees and costs, which shall be in
4 addition to any amounts to be paid under this settlement.

5 42. Funding of the Gross Settlement Amount. Within ten (10) days after the Effective Date,
6 Defendant will deposit the Gross Settlement Amount into a settlement fund to be established by the
7 Settlement Administrator by check, Automated Clearing House (ACH) transfer, or wire transfer.

8 43. Distribution and Timing of Individual Settlement Payments. Within seven (7) days of
9 funding of the Gross Settlement Amount from Defendant, the Settlement Administrator shall provide
10 Class Counsel and Defendant's counsel the administration spreadsheet, with identifying information
11 redacted save for that of Plaintiff, regarding the final calculations for purposes of distributing the Gross
12 Settlement Amount. The Parties must submit any requested changes to the spreadsheet, or confirm that
13 they do not have any requested changes. Within fourteen (14) days of funding of the Gross Settlement
14 Amount, the Settlement Administrator will issue payments to: (i) Participating Class Members; (ii)
15 Plaintiffs for the Class Representative Enhancement payment; and (iii) Class Counsel for attorneys' fees
16 and costs. The Parties and the Settlement Administrator shall cooperate in finalizing the final
17 calculations as contained in the spreadsheet prior to the distribution of funds from the Gross Settlement
18 Amount to comply with the time specifications alleged herein. The Settlement Administrator will also
19 issue a payment to itself for Court-approved services performed in connection with the Settlement upon
20 providing the certificate of completion described in Paragraph 45.

21 44. Unclaimed Funds. Participating Class Members will also be mailed checks for their
22 Individual Settlement Payments within fourteen (14) days of funding or deposit of the Gross Settlement
23 Amount as set forth in Paragraph 43, except that checks will not be sent to Class Members whose Notice
24 of Class Action Settlement and Estimated Distribution Form are returned as non-deliverable and for
25 whom the Settlement Administrator is unable to determine a reliable address using reasonable and
26 customary methods. Rather, the Individual Settlement Payments corresponding to Class Members who
27 cannot be located, if any, will be held by the administrator to be submitted to the State of California
28 Unclaimed Wages Fund at the end of the check cashing deadline of 180 days. Checks will remain

1 negotiable for 180 days. If any Class Member does not cash his or her check within 180 days, the check
2 will be void. This limitation shall be printed on the face of each check. The voidance of checks shall
3 have no effect on the Class Members' release of claims, obligations, representations, or warranties as
4 provided herein, which shall remain in full effect.

5 The value of any uncashed checks by the 180-day deadline will be tendered by the Settlement
6 Administrator via proper escheatment procedures to the State of California Unclaimed Wages Fund in
7 the name of and for the benefit of such Participating Class Members. Settlement Class Members who
8 may be entitled to an Individual Settlement Payment but who were not located before the Notice of
9 Class Action Settlement and/or the initial Distribution of Individual Settlement Payments, may request
10 their payment from the State of California Unclaimed Wages Fund.

11 45. Certification of Completion. Upon completion of administration of the Settlement, after
12 the 180-day period in Paragraph 44, the Settlement Administrator will promptly provide a written
13 declaration under oath to certify such completion to the Court and counsel for all Parties and to specify
14 that monies, if any, have been provided by the Settlement Administrator via proper escheatment
15 procedures to the State of California Unclaimed Wages Fund, in the name of and for the benefit of such
16 Participating Class Members.

17 46. No Credit Towards Benefit Plans. The Individual Settlement Payments made to
18 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
19 Settlement, will not be utilized to calculate any additional benefits under any benefit plans for which any
20 Class Members may be eligible, including, but not limited to: (i) profit-sharing plans, (ii) bonus plans,
21 (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick leave plans, (vii) PTO plans,
22 and (viii) any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will
23 not affect any rights, contributions, or amounts to which any Class Members may be entitled under any
24 benefit plans.

25 47. Tax Treatment of Individual Settlement Payments. All Individual Settlement Payments
26 will be allocated as penalties for which IRS Forms 1099-MISC will be issued. The Settlement
27 Administrator will issue all 1099-MISC forms. In the event the Court is not willing to approve the
28 Settlement with the tax allocation proposed by the Parties, this shall not be a basis for any Party to

1 cancel or withdraw from the Settlement; rather, the parties will work in good faith to propose another tax
2 allocation that might be acceptable to the Court.

3 48. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
4 will be responsible for issuing to Plaintiffs, Participating Class Members, and Class Counsel any 1099,
5 and/or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The
6 Settlement Administrator will also be responsible for forwarding the Class Member's share of all payroll
7 taxes and penalties to the appropriate government authorities.

8 49. Tax Liability. Plaintiffs understand and agree that Plaintiffs and Participating Class
9 Members will be solely responsible for the payment of any and all taxes and penalties assessed on the
10 payments as described herein. Parties and their counsel make no representation as to the tax treatment
11 or legal effect of the payments called for hereunder, and Plaintiffs and Participating Class Members are
12 not relying on any statement, representation, or calculation by Parties, their counsel, or by the Settlement
13 Administrator in this regard.

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

18 51. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
19 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
20 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
21 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
22 likewise be treated as void from the beginning. In the event that the Settlement is terminated or
23 cancelled or fails to become effective, the Parties shall be deemed to have reverted *nunc pro tunc* to their
24 respective status as of the date and time immediately before the execution of this Agreement and they
25 shall proceed in all respects as if this Agreement had not been executed, and without prejudice in any
26 way from the negotiation, fact, or terms of this Settlement.

1 52. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
2 terms set forth in any attached Exhibits, which are incorporated by reference as though fully set forth
3 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

4 53. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
5 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
6 may be deemed binding on the Parties.

7 54. Amendment or Modification. This Settlement Agreement may be amended or modified
8 only by a written instrument signed by all Parties or their successors-in-interest.

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

11 56. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will
12 be governed by and interpreted according to the laws of the State of California.

13 57. Execution and Counterparts. This Settlement Agreement is subject only to the execution
14 of all Parties. However, the Settlement may be executed in one or more counterparts. All executed
15 counterparts and each of them, including facsimile and PDF or other scanned copies of the signature
16 page, will be deemed to be one and the same instrument for all purposes in effecting and enforcing this
17 Settlement Agreement. Electronic signatures via DocuSign shall be deemed effective as if they were
18 signed in person.


19 58. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
20 either party may appeal any court order that materially alters the Settlement Agreement's terms.

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

24 60. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
25 conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against
26 one party than another merely by virtue of the fact that it may have been prepared by counsel for one of
27 the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all
28 Parties have contributed to the preparation of this Settlement.

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Dated: 2/9 2022, 2022

By 
Glenn Derrick Hopson

DEFENDANT

Dated: _____, 2022

By _____
Name:
ARB, INC.

APPROVED AS TO FORM

MAKAREM & ASSOCIATES, APLC

Dated: _____, 2022

By _____
Ronald W. Makarem
Daniel J. Bass
Attorneys for Plaintiffs

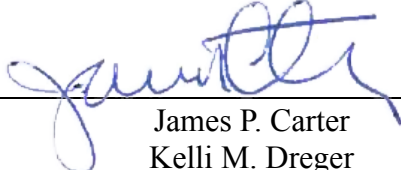
MICHAEL H. KIM, P.C.

Dated: _____, 2022

By _____
Michael H. Kim
Attorneys for Plaintiffs

JACKSON LEWIS P.C.

Dated: Feb. 8, 2022

By 
James P. Carter
Kelli M. Dreger
Attorneys for Defendant

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Dated: _____, 2022

By _____
Glenn Derrick Hopson

DEFENDANT

Dated: _____, 2022

By _____
Name:
ARB, INC.

APPROVED AS TO FORM

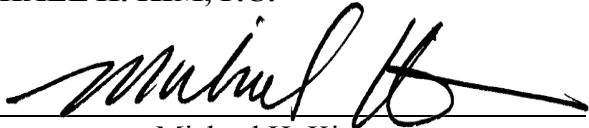
MAKAREM & ASSOCIATES, APLC

Dated: February 9, 2022

By Daniel Bass
Ronald W. Makarem
Daniel J. Bass
Attorneys for Plaintiffs

MICHAEL H. KIM, P.C.

Dated: 2/14/2022, 2022

By 
Michael H. Kim
Attorneys for Plaintiffs

JACKSON LEWIS P.C.

Dated: _____, 2022

By _____
James P. Carter
Kelli M. Dreger
Attorneys for Defendant

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Dated: _____, 2022

By _____
Glenn Derrick Hopson

DEFENDANT

Dated: March 15, 2022

By  _____
Name: David Van Dam
ARB, INC.

APPROVED AS TO FORM

MAKAREM & ASSOCIATES, APLC

Dated: _____, 2022

By _____
Ronald W. Makarem
Daniel J. Bass
Attorneys for Plaintiffs

MICHAEL H. KIM, P.C.

Dated: _____, 2022

By _____
Michael H. Kim
Attorneys for Plaintiffs

JACKSON LEWIS P.C.

Dated: March 16, 2022

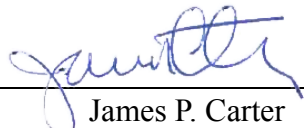
By  _____
James P. Carter
Kelli M. Dreger
Attorneys for Defendant

EXHIBIT A

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

FRANCISCO SANCHEZ and GLENN DERRICK
HOPSON, individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

ARB, INC., a California corporation; and DOES 1-20
inclusive,

Defendants.

Case No.: 30-2016-00837130-CU-OE-CXC

**NOTICE OF CLASS ACTION AND
PROPOSED SETTLEMENT**

TO: All non-exempt employees employed by ARB, Inc. in California from February 22, 2015 through January 18, 2018.

**IF YOU ARE A MEMBER OF THIS CLASS OF PERSONS, YOU SHOULD READ THIS NOTICE
CAREFULLY BECAUSE IT WILL AFFECT YOUR LEGAL RIGHTS AND OBLIGATIONS**

A settlement (“Settlement”) has been proposed in the lawsuit referenced above, pending in the Superior Court for the County of Orange (“Court”) titled *Francisco Sanchez and Glenn Derrick Hopson v. ARB, Inc., et al.*, Case No. 30-2016-00837130-CU-OE-CXC (the “Action”). If the Court gives final approval to the Settlement, defendant ARB, Inc. (hereinafter “Defendant”) will provide each Class Member a payment calculated, in part, based on the number of workweeks by each Class Member as set forth in this Notice.

This Notice details your rights and options under this Settlement. If you have any questions, please contact the Settlement Administrator, c/o CPT Group, Inc. [CPT ADDRESS] or Class Counsel, whose contact information is provided below.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | | |
|--|--|---|
| GET A PAYMENT | If the settlement is approved and you do nothing, you will be mailed a settlement payment. The payment will be mailed to the address where this notice was sent unless you tell the Settlement Administrator to send it to a different address. Instructions for updating your address are set forth in Section 9 below. | Although there is no formal deadline to update your address, you should update it promptly if you move. The parties cannot predict the exact dates when important correspondence or settlement payments will be mailed. |
| DISPUTE THE NUMBER OF WORKWEEKS | If you believe that the number of Workweeks with which you have been credited is incorrect, you must submit your challenge to the number of Workweeks to | Deadline for Disputing the Number of Workweeks: |

| | | |
|-------------------------------------|--|---|
| | the Settlement Administrator. Detailed instructions for this option are set forth in Section 12 below. | [30 days from mailing of notice] |
| EXCLUDE YOURSELF | If you wish to exclude yourself from the Settlement, you must submit to the Settlement Administrator a valid Request for Exclusion. If you exclude yourself from the Settlement, you will not receive a payment under the Settlement. Excluding yourself is the only option that allows you to bring or maintain your own lawsuit against Defendant regarding the allegations in the Action. Detailed instructions for this option are set forth in Section 19 below. | Deadline for Excluding from the Settlement: [60 days from mailing of notice] |
| OBJECT | If you wish to object to the Settlement, you can either submit your written objections (i.e., why you do not believe the Settlement is fair or adequate) to the Settlement Administrator or appear at the Final Approval Hearing. Objecting to the Settlement does not exclude you from the Settlement. Detailed instructions for this option are set forth in Section 20 below. You will receive your settlement payment if you object but the Settlement is approved by the Court. | Deadline for Submitting Written Objections to the Settlement: [60 days from mailing of notice] |
| GO TO THE “FAIRNESS HEARING” | The Court will hold a “Fairness Hearing” (also known as the “Final Approval Hearing”) to consider the Settlement, the request for attorneys’ fees and costs by the attorneys representing the Class in the Action, and the Representative Plaintiffs’ request for service awards for bringing and maintaining the lawsuit. You may, but are not required to, speak at the Fairness Hearing about any objection to the Settlement. If you wish to appear at the Fairness Hearing to object to the Settlement, you may do so either in person or through your own attorney hired at your expense. | Hearing Date: [TBD] |

WHAT THIS NOTICE CONTAINS

BACKGROUND INFORMATION.....X

1. Why did I receive this notice?
2. What is this lawsuit about?
3. Why is this a class action?
4. Why is there a settlement?
5. How do I know if I am part of the Settlement?

6. I'm still not sure if I am included.

THE PROPOSED SETTLEMENT.....X

7. What relief does the Settlement provide to the Class Members?

PAYMENT TO THE CLASS.....X

8. How can I get a payment?

9. How do I update my address/ contact information?

10. When will I get a payment?

11. How much will I be paid?

12. What if I think I worked more Workweeks than it says in this notice??

13. If I receive a settlement payment will I have to pay taxes on it?

14. No retaliation or discrimination

THE LAWYERS IN THIS ACTION AND THE CLASS REPRESENTATIVES.....X

15. Do I have a lawyer in this Action?

16. How will the lawyers be paid?

17. Will the Representative Plaintiffs receive any compensation for their efforts in bringing and maintaining this Action?

RELEASE OF ALL CLAIMS.....X

18. What am I giving up to obtain relief under the Settlement?

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT.....X

19. How do I exclude myself from the Settlement?

HOW TO OBJECT TO THE SETTLEMENT.....X

20. How do I tell the Court that I do not like the Settlement?

21. What is the difference between excluding myself from the Settlement and objecting to the Settlement?

FAIRNESS HEARING.....X

22. What is the Fairness Hearing?

23. When and where is the Fairness Hearing?

24. May I speak at the Fairness Hearing?

ADDITIONAL INFORMATION.....X

25. How do I get more information?

26. What if my address or other information has changed?

BACKGROUND INFORMATION

1. Why did I receive this notice?

You received this Notice because a settlement has been reached in the Action. According to Defendant's records you are a member of the Settlement Class and may be eligible for the relief detailed below.

This Notice explains the nature of the Action, the general terms of the proposed Settlement, and your legal rights and options. To obtain more information about the Settlement, including information about how you can obtain a copy of the Settlement Agreement, see Section 25 below.

2. What is this lawsuit about?

In the Action, Plaintiffs allege, with respect to all non-exempt employees who were employed by ARB, Inc. in California between February 22, 2015 and January 18, 2018, that ARB, Inc. failed to furnish accurate itemized earnings statements and failed to maintain required records under the California Labor Code during that period of time.

Defendant denies Plaintiffs' allegations in their entirety. Defendant contends that it complied with California law, that it furnished accurate itemized earnings statements, and that it maintained all required records in compliance with the California Labor Code. Defendant contends that its affirmative defenses to the Action may otherwise prevent or limit Plaintiffs' class claims.

The issuance of this Notice is not an expression of the Court's opinion on the merits or the lack of merits of Plaintiffs' claims in the Action.

For information about how to learn more about what has happened in the Action to date, please see Section 25 below.

3. Why is this a class action?

In a class action lawsuit, one or more people called "Representative Plaintiffs" (in this Action, Francisco Sanchez and Glenn Derrick Hopson are the Representative Plaintiffs) sue on behalf of other persons who allegedly have similar claims. For purposes of this proposed Settlement, one court will resolve the issues for all Class Members. The company sued in this Action, ARB, Inc., is called Defendant.

4. Why is there a settlement?

The Representative Plaintiffs, Francisco Sanchez and Glenn Derrick Hopson, have filed claims against Defendant. Defendant denies that it has done anything wrong or illegal and admit no liability. **The Court has not decided that the Plaintiffs or the Defendant should win in this Action. Instead both sides agreed to a settlement.**

5. How do I know if I am part of the Settlement?

The Court has decided that everyone who fits the following description is a Class Member for purposes of the proposed Settlement: "non-exempt employees employed by ARB, Inc. in California between February 22, 2015 and January 18, 2018."

6. I'm still not sure if I am included.

If you are still not sure whether you are included, you can contact the Settlement Administrator and/or Class Counsel for help. The contact information for the Settlement Administrator is [**ADDRESS, FAX, AND EMAIL**]. The contact information for Class Counsel is provided in Section 15.

THE PROPOSED SETTLEMENT

7. What relief does the Settlement provide to the Class Members?

Defendant has agreed to fund this settlement in an amount totaling Three Million Two Hundred and Fifty Thousand Dollars (\$3,250,000.00) ("Gross Settlement Amount"). This Settlement Amount will be used to pay the claims of the Class Members, and the following amounts requested by Plaintiffs and subject to Court approval: the costs of providing notice to the Class and administering the Settlement (estimated to be not more than \$30,000.00); to pay any award of attorneys' fees (up to \$1,137,500.00) and costs (estimated to be not more than \$50,000.00) to Class Counsel; any enhancement payment, also known as a service award, awarded to the Representative Plaintiffs (up to \$15,000.00 for each Representative Plaintiff). The estimated Net Settlement Amount to be used to pay the claims of Class Members is \$2,002,500.00.

Your estimated Individual Settlement Payment was calculated using Defendant's payroll and employee records. Individual Settlement Payments were calculated and apportioned as follows:

- (a) First, the "Net Settlement Amount" shall be calculated by subtracting the Class Representative Enhancement Payments, Attorneys' Fees and Costs, and Settlement Administration Costs from the Gross Settlement Amount.
- (b) Second, the Net Settlement Amount will be divided by the total number of Workweeks worked by all Participating Class Members, resulting in the Workweek Value.
- (c) Third, each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's Workweeks by the Workweek Value.

PAYMENT TO THE CLASS

8. How can I get a payment?

If the Settlement is approved, you will be mailed a settlement payment at the same address at which you received this notice unless you either update your address using the process described below or opt out of the settlement using the process described below. Your settlement check will be negotiable for 180 days after it is issued. If you do not cash your check during this 180-day period, the amount representing your check will be sent to the State Controller's Office under California's Unclaimed Property Law the name of and for the benefit of such Participating Class Members who did not cash their checks.

If you do not receive a notice in the mail, that is because the Settlement Administrator could not find a valid mailing address for you, and you may not be mailed a settlement payment. Instead, your check will be held by the Settlement Administrator for 180 days. In order to claim your check, you must contact the Settlement Administrator. If you do not claim and cash your check during this 180-day period, your check will be sent to the State Controller's Office under California's Unclaimed Property Law in the name of and for the benefit of such Participating Class Member who did not claim their check.

9. How do I update my address/ contact information?

If your address or other contact information has changed, it is important that you inform the Settlement Administrator of your new address. You may contact the Settlement Administrator in one of three ways to notify them of your updated address: (1) mail to CPT Group, Inc. [CPT ADDRESS], (2) e-mail to _____, or (3) facsimile to _____. Alternatively, you may change your address at the Settlement website at _____.

10. When will I get a payment?

As described in Sections 22 and 23, the Court will hold a fairness hearing on [DATE FOR FAIRNESS HEARING] to decide whether to approve the Settlement. If the Court approves the Settlement, after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. You can check the status of the Action by contacting the Settlement Administrator or Class Counsel. *Please be patient.*

11. How much will I be paid?

Your estimated settlement payment is \$_____.

According to Defendant's payroll records, you are a Settlement Class Member who worked approximately _____ Workweeks as an hourly employee during the Class Period. The Class Period is defined as the period of time between February 22, 2015 and January 18, 2018. Based on information currently available, we estimate your

share of the Settlement will be approximately \$_____. This is only an estimate. The amount you ultimately receive as part of the Settlement may increase or decrease in accordance with the terms of the Settlement and the Court's orders.

Your estimated payment was calculated as follows. First, the estimate assumes that the Net Settlement Amount used to pay the Class Members will be \$2,002,500.00. This includes the assumption that the Court will approve disbursements totaling \$1,247,500.00 for the Class Representative Enhancement Payments, Attorneys' Fees and Costs, and Settlement Administration Costs from the Gross Settlement Amount. Second, the estimate assumes, based on Defendant's records, that you worked _____ Workweeks between February 22, 2015 and January 18, 2018. Third, the estimate assumes, based on Defendant's records, that the total number of Workweeks worked by all Class Members between February 22, 2015 and January 18, 2018 is _____ Workweeks. Using those assumptions, the first step in the calculation is to divide the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, which results in the Workweek Value. The second step in the calculation is to multiply the Workweek Value by your Workweeks. The estimate is not a promise of a specific recovery, if any of the assumptions are changed then the estimate will be different. The reason that the parties want to distribute the settlement payments using this proportional method is because they believe it is the fairest practicable method of sharing the recovery.

12. What if I think I worked more Workweeks than it says in this notice?

As explained above, your final settlement payment will depend, in part, on the number of Workweeks you worked between February 22, 2015 and January 18, 2018. If you believe that you worked more Workweeks than what is indicated in this notice, you should submit your dispute in writing along with copies of any supporting records to the Settlement Administrator. You should retain originals for your own records. The Settlement Administrator will then decide the dispute between your calculation and that of Defendant. The Settlement Administrator will give significant weight to Defendant's records, but will evaluate the records submitted by you and will make the final decision as to the merits of the dispute. You can submit your dispute in writing and documentation by mail to the Settlement Administrator at: Settlement Administrator, c/o CPT Group, Inc. [CPT ADDRESS]. Alternatively, you may submit your written dispute via facsimile to _____, or you can submit your written dispute to the Settlement Administrator via e-mail to the following e-mail address: _____. You must submit your written dispute by no later than [Workweek Dispute Deadline].

The Settlement Administrator will preliminarily decide whether your calculation of Workweeks or that of Defendant is accurate if disputed, with the Court ultimately ruling on disputes. The Settlement Administrator will give notice of its determination to the disputing Settlement Class Member by no later than seven (7) days of receipt of the dispute. If you still believe that the calculated number of Workweeks is too low, you may still decide to opt out of this Settlement or to object to the Settlement as a whole on or before [Response Deadline].

13. If I receive a settlement payment will I have to pay taxes on it?

For tax purposes, your Individual Settlement Payment will be treated as penalties and interest, and will not be subject to withholdings. You will be issued a 1099 form for your Individual Settlement Payment. You should consult with a tax professional for more information about your own specific situation.

14. No retaliation or discrimination.

Defendant respects your right to participate in this lawsuit and will take no adverse or retaliatory action against you should you accept payment under the Settlement. Defendant's total payment under this Settlement will not be impacted by your decision to participate in the settlement.

THE LAWYERS IN THIS ACTION AND THE REPRESENTATIVE PLAINTIFF

15. Do I have a lawyer in this Action?

The Court has preliminarily approved the law firm of Michael H. Kim P.C. (“Class Counsel”) to represent the interests of all Class Members. You will not be separately charged by these lawyers. If you have a question about the settlement, you may contact Class Counsel by writing to them at the following address:

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|---|---|
| <p>Michael H. Kim, Esq. Adam K. Tanouye, Esq. MICHAEL H. KIM, P.C. 475 El Camino Real, Suite 309 Millbrae, California 94030 Telephone: (650) 697-8899 Fax: (650) 697-8896 Email: mkim@mhklawyers.com</p> | <p>Ronald W. Makarem, Esq. Daniel J. Bass, Esq. MAKAREM & ASSOCIATES APLC 11601 Wilshire Boulevard, Suite 2440 Los Angeles, CA 90025-1760 Phone: (310) 312-0299 Fax: (310) 312-0296 Email: makarem@law-rm.com Email: bass@law-rm.com</p> |
|---|---|

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

16. How will the lawyers be paid?

Class Counsel will ask the Court to award up to \$1,137,500.00 for attorney’s fees and up to \$50,000.00 for litigation costs. Any amount the Court awards will be paid from the Gross Settlement Amount. To the extent the award is not approved in full, any remaining balance of the fees and costs that are not awarded to Class Counsel will be added to the Net Settlement Amount and will be paid to the Participating Class Members. Defendant has agreed not to oppose the request.

17. Will the Representative Plaintiffs receive any compensation for her efforts in bringing and maintaining this Action?

The Representative Plaintiffs will each request a service award of up to \$15,000.00 for their services as class representatives and their efforts in bringing and maintaining the Action. The Court will make the final decision as to the amount to be paid to each of the Representative Plaintiffs. Any amount the Court awards will be paid from the Gross Settlement Amount. To the extent the award is not approved in full, any remaining balance of the money that is not awarded to the Representative Plaintiffs will be added to the Net Settlement Amount and will be paid to the Participating Class Members. Defendant has agreed not to oppose the request.

RELEASE OF ALL CLAIMS

18. What am I giving up to obtain relief under the Settlement?

If the Court approves the proposed Settlement, you will be releasing your claims against Defendant unless you exclude yourself from the Settlement. Specifically, you will release the class claim for failure to furnish accurate wage statements asserted in the Third Amended Complaint against the Released Parties (“Released Claims”). The Released Claims include, but are not limited to, any claims, rights, demands, liabilities, and causes of action of any kind or nature in law or in equity, under any theory, whether contract, common law, constitutional, statutory or otherwise, of any jurisdiction, foreign or domestic, whether known or unknown, anticipated or unanticipated, including for damages, restitution, penalties, interest, costs, attorneys’ fees, expenses, equitable relief, injunctive relief, and any other relief which arising from or that could have been asserted against Defendant based on the failure to furnish accurate wage statements in California during the relevant Class Period, between February 22, 2015 and January 18, 2018.

The Complaint and the Settlement Agreement, titled “Amended Joint Stipulation for Class Action Settlement and Release,” which contains the full terms of the release, are available online at [\[REDACTED\]](#). You may view these documents by going to the website. Alternatively, you may contact Class Counsel or access the Court’s electronic file on the Court’s website at <https://www.court.org/online-services/case-access/>.

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT

19. How do I exclude myself from the Settlement?

You may exclude yourself from the Class and the Settlement. If you want to be excluded, you must send a written request to exclude yourself from the Settlement, such as the enclosed Request for Exclusion form. In the written request to be excluded, you should provide (1) your name, home address, telephone number, and/or the last four digits of your social security number or employee identification number to verify your identification; and (2) any statement to the effect that you wish to be excluded from this Settlement. The request for exclusion must be sent to the Settlement Administrator (i.e., postmarked or delivery date stamped) by no later than [REDACTED]. This request for exclusion can be sent to the Settlement Administrator in one of three ways: (1) mail to CPT Group, Inc. [CPT ADDRESS], (2) e-mail to _____, or (3) facsimile to _____.

If you timely request exclusion from the Settlement, you will be excluded from the Class, you will not be bound by this Settlement and any subsequent judgment entered in the Action. This means that you are free to bring your own individual claim against Defendant for any of the wage and hour violations alleged in the Action.

HOW TO OBJECT TO THE SETTLEMENT

20. How do I tell the Court that I do not like the Settlement?

At the date, time and location stated in Section 23 below, the Court will hold a Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and also to consider Class Counsel's request for an award of attorneys' fees and costs, and the service awards to the Representative Plaintiffs.

If you wish to object to the fairness, reasonableness, or adequacy of the Settlement Agreement or the proposed Settlement, you may do so in one of two ways:

(1) You may submit a written objection to the Settlement Administrator. This written objection can be sent to the Settlement Administrator in one of three ways: (1) mail to CPT Group, Inc. [CPT ADDRESS], (2) e-mail to _____, or (3) facsimile to _____.

(2) Alternatively, you may appear in person or through an attorney and present your objection to the Court at the Fairness Hearing.

If you decide to submit a written objection, you should include (1) your name, home address, telephone number, and/or the last four digits of your social security number or employee identification number to verify your identification; and (2) any evidence and legal argument in support of your objection. The objection must be submitted to the Settlement Administrator via U.S. Mail or other delivery service with proof of submission date (such as a U.S. Postal Service postmark or other electronic transmission date and time stamp) by no later than [REDACTED]. All timely submitted objections will be submitted to the Court for consideration. You may, but need not, submit your written objection through counsel of your choice. If you make your written objection through counsel, you will be responsible for your attorneys' fees and costs.

You may also object without submitting a written objection by appearing at the final approval hearing, including by appearing through counsel. If you wish to appear at the Fairness Hearing to object to the Settlement, you may do so either in person or through your own counsel hired at your expense.

21. What is the difference between excluding myself from the Settlement and objecting to the Settlement?

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

Here are the key differences between objecting and opting out. If you object and the settlement is approved, you are entitled to a settlement payment and will be bound by the Release. If you opt out and the settlement is approved, you are not entitled to a settlement payment and will not be bound by the Release.

FAIRNESS HEARING

22. What is the Fairness Hearing?

The Court has preliminarily approved the Settlement, meaning only that it concluded that there is sufficient evidence to suggest that the Agreement falls within the range of possible approval as fair, reasonable, and adequate, and that the final determination of these issues will be made at the Fairness Hearing. The purpose of the Fairness Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, and adequate, and in the best interests of the Settlement Class; to consider the request for attorneys' fees and costs for Class Counsel; and to consider the request for service awards for the Representative Plaintiffs.

23. When and where is the Fairness Hearing?

The Fairness Hearing will be held on [REDACTED], at [REDACTED]. At the Fairness Hearing, the Court will be available to hear any objections and arguments concerning the proposed Settlement. The Fairness Hearing will take place in Department C16 of the California Superior Court, for the County of Orange, located at 700 Civic Center Drive West, Santa Ana, CA 92701. The hearing may be postponed to a different date, time or location without further notice.

24. May I speak at the hearing?

Yes. At the hearing, the Court will hear any objections and arguments concerning the fairness of the Settlement. You may attend, but you do not have to.

ADDITIONAL INFORMATION

25. How do I get more information?

To see copies of the Settlement Agreement, the Court's Preliminary Approval and Final Approval Orders, the Motions for Preliminary Approval and for Final Approval, and the operative complaint filed in the Action, please visit the Settlement website at [REDACTED]. Alternatively, you may call, email, or fax the Settlement Administrator or Class Counsel for any questions or information about this Settlement.

Alternatively, you may access the Court's electronic file on the Court's website at <https://www.occourts.org/online-services/case-access/>.

26. What if my address or other information has changed?

It is your responsibility to inform the Settlement Administrator of your updated information. Instructions for updating your address/ contact information are provided in Section 9.

DO NOT CONTACT THE COURT, THE JUDGE, THE CLERK, OR ANY OF THE COURT'S STAFF REGARDING THIS SETTLEMENT OR THE LAWSUIT. IF YOU HAVE ANY QUESTIONS, PLEASE DIRECT ALL QUESTIONS TO EITHER THE SETTLEMENT ADMINISTRATOR OR THE CLASS COUNSEL.

EXHIBIT B

REQUEST FOR EXCLUSION FORM

Francisco Sanchez and Glenn Derrick Hopson v. ARB, Inc.

In the Superior Court of the State California

For the County of Orange, Case No. 30-2016-00837130-CU-OE-CXC

SUBMIT THIS FORM ONLY IF YOU WISH TO BE EXCLUDED FROM PARTICIPATING IN THE CLASS ACTION SETTLEMENT

IF YOU WISH TO RECEIVE MONEY FROM THIS SETTLEMENT, DO NOT SUBMIT THIS FORM

By signing and returning this form, I certify that I have read the Notice of Class Action and Proposed Settlement and that I wish to be excluded from participating in the Settlement. I understand that this means that I will not receive any money or other benefits under the settlement, and I will not be subject to the settlement and release in the Settlement of the Class Action.

Name (Please Print): _____

(First)

(Middle)

(Last)

Address: _____

(Street)

(City)

(State)

(Zip)

Last 4 Digits of Social Security Number: _____ Telephone No.: _____

Dated: _____

Signature: _____

THIS FORM MUST BE E-MAILED, POST-MARKED, OR FAX STAMPED NO LATER THAN [60 DAYS AFTER THE DATE OF THE INITIAL MAILING], AND MUST BE EMAILED, MAILED OR FAXED TO THE SETTLEMENT ADMINISTRATOR AT:

Settlement Administrator
c/o CPT Group

