

## STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement” or “Settlement”) is reached by and between Plaintiff Rafael Perez (“Plaintiff” or “Class Representative”), as an individual and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Kyocera SGS Precision Tools, Inc. (“Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines, Fletcher W. Schmidt, Matthew K. Moen, and Susan J. Perez of Haines Law Group, APC (collectively, “Class Counsel”). Defendant is represented by Rick Bergstrom and Koree B. Wooley of Jones Day (collectively, “Defense Counsel”).

On December 29, 2022, Plaintiff filed a class action complaint against Defendant in Orange County Superior Court, titled *Rafael Perez v. Kyocera SGS Precision Tools, Inc.*, Case No. 30-2022-01299232-CU-OE-CXC (the “Action”), alleging that Defendant failed to: (i) pay all overtime wages; (ii) pay all minimum wages; (iii) provide all lawful meal periods; (iv) authorize and permit all lawful rest periods; (v) reimburse necessary business expenses; (vi) timely pay all final wages due upon separation from employment; and (vii) comply with California’s Unfair Competition laws.

As a material term of this Settlement, the Parties agree that Plaintiff will submit a letter to the California Labor and Workforce Development Agency (“LWDA”) to exhaust his administrative remedies for a claim pursuant to the Private Attorneys General Act (“PAGA”) (Labor Code § 2698 *et seq.*) based on the underlying Labor Code violations alleged in the Action and Defendant’s alleged failure to issue accurate itemized wage statements (Labor Code § 226 *et seq.*). Following Plaintiff’s exhaustion of his pre-filing requirements, Plaintiff will file a First Amended Complaint (“FAC”) in the Action, adding factual allegations and a cause of action regarding Defendant’s alleged failure to issue accurate itemized wage statements and a claim under the PAGA based on all of the underlying Labor Code violations alleged in the Action and Labor Code § 226 *et seq.* Defendant will stipulate to the filing of such amended complaint for settlement purposes only. The Parties shall file their stipulation for leave to file the FAC within five (5) business days after Plaintiff exhausts his pre-filing requirements under the PAGA. Within five (5) business days after the Court signs an Order granting the Parties’ stipulation to file the FAC, Plaintiff will file the FAC with the Court and submit the FAC to the LWDA.

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class. Accordingly, the Parties agree as follows:

1. **Settlement Class Defined.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All persons who were employed by Defendant or its predecessor Kyocera Precision Tool, Inc. in California and were classified as non-exempt (“California Non-Exempt Employee”) at any time from December 29, 2018, through the date the Court grants preliminary approval of the Settlement or August 17, 2023, whichever occurs sooner (“Class Period”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement, and any documents prepared or submitted to the Court relating to the Settlement Agreement shall not have any impact on or be used for any purpose in the Action or any other litigation.

2. **Release by Settlement Class Members and Plaintiff.** Plaintiff, and each Settlement Class member who does not timely opt-out of the settlement, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, shall fully and finally release and discharge Defendant, Kyocera Precision Tool, Inc. (“KPTI”), and their respective former and present parents, subsidiaries, affiliated corporations and entities, clients, and vendors and independent contractors through which Defendant conducts business, and each of their respective current, former, and future officers, directors, members, managers, employees, consultants, vendors, independent contractors, clients, partners, shareholders, joint venturers and third-party agents, and any successors, assigns, or legal representatives (“Released Parties”) as follows:

- A. All Settlement Class members who do not timely opt out shall fully and finally release and discharge the Released Parties from all applicable California wage and hour claims, rights, demands, liabilities, and causes of action, arising from the claims pled in the Action or that could have been asserted based on the facts alleged in the Action against Defendant, including, but not limited to, claims for: failure to timely pay all wages at termination (California Labor Code §§ 201, 202, 203); failure to timely pay all minimum and overtime wages (California Labor Code §§ 204, 510, 558, 1182.12, 1194, 1194.1, 1194.2, 1197); meal and rest period violations, including with respect to the rate at which premiums are paid (California Labor Code §§ 226.7, 512, 516, 558, and applicable sections of the relevant Order of the Industrial Welfare Commission); failure to provide for or properly pay sick time (California Labor Code §§ 233, 246, 248, 248.5); failure to reimburse all necessary business expenses (California Labor Code §§ 2802, 2804); violation of the IWC California Wage Orders; failure to provide accurate wage statements in violation of California Labor Code § 226; failure to maintain records in violation of California Labor Code § 1174; violations of the PAGA, Labor Code § 2698 *et seq.* based on the foregoing claims or based on failure to timely pay wages during employment (California Labor Code § 210); unfair competition in violation of California Business and Professions Code section 17200 *et seq.*; and any damages, penalties, restitution, disgorgement, interest, costs, or attorneys’ fees as a result thereof (“Released Claims”). This release shall run from December 29, 2018, through the date the Court grants preliminary approval of the Settlement or August 17, 2023, whichever occurs sooner.
- B. It is understood and acknowledged that all persons who were employed by Defendant in California and were classified as non-exempt at any time from one year prior to the date of Plaintiff’s PAGA notice letter to the LWDA, through the

close of the Class Period (the "PAGA Aggrieved Employees") will be issued a check for their share of the PAGA Amount, as defined below, regardless of whether they submit a timely Request for Exclusion Form. All PAGA Aggrieved Employees shall be deemed to have released and discharged Defendant from all PAGA claims that are based on the Labor Code violations pled in the FAC in the Action or Plaintiff's letter to the LWDA, or which could have been pled in the FAC in the Action based on the factual allegations therein, that arose during the PAGA Period (the "PAGA Released Claims"). This release shall run from one year prior to the date of Plaintiff's PAGA notice letter to the LWDA through the close of the Class Period ("PAGA Period").

- C. This Settlement and the Court's judgment entered thereon shall have res judicata effect precluding Plaintiff and the participating Settlement Class members from initiating any other proceedings regarding the Released Claims.
- D. In light of Plaintiff's Class Representative Enhancement Payment, Plaintiff agrees to a general release, on behalf of Plaintiff, Plaintiff's heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses where Plaintiff has a controlling ownership interest, of any and all claims of any nature, known or unknown, contingent or accrued, against all Released Parties, whether in tort, contract, or equity, including, but not limited to, the Released Claims, and any claims arising out of or relating to any work performed by Plaintiff and/or Plaintiff's engagement to perform any work. Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by California Civil Code Section 1542, which provides as follows:

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

With full awareness and understanding of the above provisions, Plaintiff waives and relinquishes any and all rights and benefits that he may have under California Civil Code Section 1542, or the law of any other state or jurisdiction, or common law principle, to the same or similar effect, concerning the claims released herein.

Nothing contained herein shall constitute a release of any rights or claims that cannot be waived as a matter of law (including but not limited to claims arising under workers' compensation laws). Nor shall anything contained herein be construed to exclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding. However, Plaintiff does waive and release Plaintiff's right to any monetary recovery or other personal relief should the EEOC, NLRB, or any other agency enforcing employment laws pursue claims on Plaintiff's behalf.

The "Effective Date" means the latest of: (i) the timely provision of this Settlement Agreement, the Final Order, and any other required items to the LWDA; (ii) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Court's Judgment (this time period shall not be less than 60 calendar days after the Court signs an order granting final approval of the Settlement Agreement and enters judgment thereon); (iii) if an appeal is filed, the date that an appeal is resolved resulting in a court order approving this Settlement.

As part of the Settlement, Plaintiff waives his right to file an appeal and/or a writ or any challenge whatsoever to the Court's final judgment.

3. **Maximum Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary "Maximum Settlement Amount" of One Hundred Ninety-Six Thousand Five Hundred Dollars and Zero Cents (\$196,500.00) in full and complete settlement of the Action, as follows:
  - A. The Parties have agreed to engage CPT Group, Inc. as the "Settlement Administrator" to administer this Settlement.
  - B. Defendant will fund the Maximum Settlement Amount within thirty (30) calendar days after the Effective Date, which shall be deposited with the Settlement Administrator and held in an established Qualified Settlement Fund ("QSF"). Defendant shall not have any obligation to provide any portion of the Maximum Settlement Amount to the Settlement Administrator or any third party prior to this deadline.
  - C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
    - (1) All payments (including interest) to the Settlement Class members;
    - (2) All costs of the Settlement Administrator which are not to exceed \$7,500.00;
    - (3) Up to \$5,000.00 for Plaintiff's Class Representative Enhancement Payment in recognition for Plaintiff's contributions to the Action and service to the Settlement Class. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke the Settlement Agreement for that reason, and the Settlement will remain binding;
    - (4) Up to one-third (1/3) of the Maximum Settlement Amount in Class Counsel's attorneys' fees (currently estimated at \$65,500.00), plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than \$30,000.00. In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke the Settlement Agreement based on that reason, and the Settlement will remain binding; and

- (5) Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or \$7,500.00, will be payable to the LWDA, and the remaining 25%, or \$2,500.00, will be payable to the PAGA Aggrieved Employees as the “Individual PAGA Amount,” as described below.
- D. Defendants will not oppose the reasonableness of the requests described in Paragraph C(2)-C(5). Any reduction by the Court of these requests will revert to the Net Settlement Amount for distribution to the Settlement Class members who do not opt-out.
- E. **Employer Payroll Taxes.** The Maximum Settlement Amount does not include the employer’s share of payroll taxes, which shall be paid by Defendant separate and apart from, and in addition to, the Maximum Settlement Amount.
- F. **Escalator Clause.** Defendant represents that there were an estimated 11,357 aggregate workweeks worked by approximately 84 Settlement Class members at the time of mediation. If the actual number of aggregate workweeks worked by the Settlement Class members in the Class Period is more than 10% greater than this figure (i.e., if there are 12,493 or more aggregate workweeks worked by the Settlement Class members in the Class Period), Defendant shall have the option of either: (a) proportionally increasing the Maximum Settlement Amount based on the workweeks over and above the 10% estimate; or (b) ending the Class Period on a date that will not result in an increase of more than 10% of the workweeks estimated in the Class Period.
4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment (“Individual Settlement Payment”) from the Settlement. Individual Settlement Payments will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, the Class Representative Enhancement Payment, the Settlement Administrator’s fees and expenses for administration, and the amount of PAGA civil penalties designated as payable to the LWDA. The remaining amount shall be known as the “Net Settlement Amount.”
- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member’s Individual Settlement Payment based on the following formula:
- i. **PAGA Amount:** The \$2,500.00 payable to the PAGA Aggrieved Employees as their 25% portion of the PAGA civil penalties shall be designated as the “Individual PAGA Payment.” Each PAGA Aggrieved Employee who was employed by Defendant at any time during the PAGA Period, regardless of whether they timely submit a Request for Exclusion,

shall receive a portion of the Individual PAGA Payment proportionate to the number of workweeks that he or she worked during the PAGA Period compared to the aggregate number of workweeks worked by all PAGA Aggrieved Employees during the PAGA Period.

- ii. Wage Statement Amount: Ten percent (10%) of the Net Settlement Amount shall be designated as the “Wage Statement Amount.” Each participating Settlement Class member who was employed by Defendant at any time between December 29, 2021 and the end of the Class Period, shall receive a portion of the Wage Statement Amount proportionate to the number of workweeks that he or she worked during the aforementioned time period, by multiplying the Wage Statement Amount by a fraction, the numerator of which is the Settlement Class member’s total workweeks worked during the aforementioned time period, and the denominator of which is the aggregate number of workweeks worked by all participating Settlement Class members during the aforementioned time period.
  - iii. Waiting Time Amount: Fifteen percent (15%) of the Net Settlement Amount shall be designated as the “Waiting Time Amount.” The Waiting Time Amount shall be distributed in equal, pro-rata shares to each participating Settlement Class member who separated their employment from Defendant at any time between December 29, 2019 and the end of the Class Period.
  - iv. The remainder of the Net Settlement Amount will be distributed to each participating Settlement Class member based on their proportionate number of workweeks worked during the Class Period, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Settlement Class member’s total workweeks worked during the Class Period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during the Class Period.
- C. Within 10 business days following the full funding of the Maximum Settlement Amount, the Settlement Administrator will calculate and disburse all payments due under the Settlement Agreement, including all Individual Settlement Payment, Individual PAGA Amount, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement, the PAGA Payment, and the Administration Costs. The Individual PAGA Payments paid to PAGA Aggrieved Employees will be issued separately from the remainder of the Individual Settlement Payment, if any. The Settlement Administrator will also mail a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim. As of the Effective Date, Defendants and the Released Parties shall have no liability for the Released Claims or the PAGA Released Claims which are released under this Agreement.
- D. Each Individual Settlement Payment shall be allocated as one-third wages (subject to applicable withholdings), one-third interest (not subject to withholdings), and

one-third Labor Code penalties and/or reimbursement of expenses (not subject to withholdings). Each Individual PAGA Payment payable to the PAGA Aggrieved Employees shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members an IRS Form W-2 for amounts paid as wages, and an IRS Form 1099 for amounts paid as penalties, reimbursement of expenses, and interest. Settlement Class members are responsible for their share of the payroll taxes on portions of the Individual Settlement Payments allocated as unpaid wages, which will be deducted from their Individual Settlement Payments.

- E. Defendant shall fully discharge its obligations to the participating Settlement Class members through the mailing of an Individual Settlement Payment, regardless of whether such checks are actually received and/or negotiated by the recipients. Each member of the Settlement Class who receives an Individual Settlement Payment must cash that check within one hundred eighty (180) days from the date the Settlement Administrator mails it. Any check that is not negotiated within 180 days of mailing to a Settlement Class member shall be transferred to the California State Controller's Office to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to participating Settlement Class members, whether or not they cash their Individual Settlement Payment check. Each PAGA Aggrieved Employee who receives an Individual PAGA Payment must cash that check within one hundred and eighty (180) calendar days from the date the Settlement Administrator mails it. Any funds payable to PAGA Aggrieved Employees whose checks are not cashed within 180 calendar days after mailing will be transferred to the California State Controller's Office to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the PAGA Aggrieved Employee to whom the check was issued, until such time that he or she claims his or her property.
- F. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Maximum Settlement Amount, which is currently estimated to be \$65,500.00. Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed \$30,000.00 from the Maximum Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued

an IRS Form 1099 by the Settlement Administrator for the fees and costs award approved by the Court.

6. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment in the amount of \$5,000.00 for Plaintiff's time and risk in prosecuting this case, Plaintiff's service to the Settlement Class, and in exchange for Plaintiff's general release of claims. This award will be in addition to Plaintiff's Individual Settlement Payment as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator.

7. **Settlement Administrator.** Defendant agrees to the appointment of CPT Group, Inc. as Settlement Administrator. Defendant will not object to Plaintiff seeking approval to pay up to \$7,500.00 for the administration services from the Maximum Settlement Amount. The Settlement Administrator shall be responsible for depositing into an account and holding the payment from Defendant comprising the Maximum Settlement Amount, sending Notice Packets in English and Spanish to the Settlement Class members, calculating Individual Settlement Payments and preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount only after Individual Settlement Payments have been mailed to all participating Settlement Class members.

8. **Preliminary Approval.** Within ten (10) business days after Plaintiff's filing of the FAC, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines, Fletcher W. Schmidt, Matthew K. Moen, and Susan J. Perez of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff Rafael Perez as Class Representative for the Settlement Class;
- D. Approving CPT Group, Inc. as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice, Notice of Individual Settlement Payment, and the Request for Exclusion Form), and directing the mailing of the same; and
- G. Scheduling a Final Approval hearing.

Plaintiff will provide Defendant with five (5) business days to review Plaintiff's Motion for Preliminary Approval prior to it being filed with the Court.

9. **LWDA Notices.** Class Counsel will provide to the LWDA all required notices and documents to facilitate approval of the Settlement in accordance with the PAGA, including submitting to the LWDA a copy of the proposed settlement at the same time that it is submitted to



the Court; a copy of the Court's judgment; copies of any other orders that award or deny penalties; and a copy of the Complaint.

10. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within 10 business days of the court signing an order preliminarily approving this Settlement Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and workweek data for all Settlement Class members during the Class Period.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline, as defined below, shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have an additional fourteen (14) calendar days after the Response Deadline to opt-out, object, or dispute their Individual Settlement Payment. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline.
- D. Requests for Exclusion. Request for Exclusion Forms will be mailed to all Settlement Class members in the Notice Packets. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail the Request for Exclusion Form to the Settlement Administrator within 45 calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
  - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit the Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1)

contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) be signed by the Settlement Class member; and (3) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. Request for Exclusion Forms must be returned to the Settlement Administrator by mail, but an otherwise valid and timely Request for Exclusion Form that is received by the Settlement Administrator will be accepted. If the Request for Exclusion Form does not contain the information listed in (1)-(2), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion Form shall be the exclusive means used to determine whether a Request for Exclusion Form has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.

- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the Settlement or opt-out of the Settlement Class or encourage any Settlement Class member to appeal from the Judgment. The Parties and their respective counsel each agree that they will not distribute to any Settlement Class member any documents, notices, or information regarding the Action or the settlement other than documents, notices, or information approved by the Court, including but not limited to any documents, notices, or information that would encourage or discourage a Settlement Class member from opting out, unless a specific request is first made to them by the Settlement Class member.
  - iii. Defendant's Right to Rescind. Notwithstanding any other provision of this Settlement Agreement, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement within thirty (30) days of receiving notice that 10% or more of the Settlement Class members validly opted out of this Settlement. Defendant shall communicate its decision to nullify the Settlement Agreement in writing to the Settlement Administrator and Class Counsel.
  - iv. PAGA Aggrieved Employees. All PAGA Aggrieved Employees shall receive their share of the PAGA Amount and will be deemed to have released the PAGA Released Claims, regardless of whether or not they timely request to be excluded from the Settlement Class.
- E. Objections. Members of the Settlement Class who do not opt-out may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel, as well as file all such objections with the

Court) within the Response Deadline. Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any objection must be postmarked no later than the Response Deadline. Any Settlement Class member who wishes to may appear in person or through their own counsel and raise an objection at the Final Approval Hearing.

- F. Notice of Individual Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all of the information that was used to calculate the Individual Settlement Payment. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Individual Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will notify the Parties of the dispute within five business days of receipt of the notice of dispute and will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement Agreement. However, if the Settlement Administrator and the Parties cannot agree on a resolution, the Parties will submit the dispute to the Court for a final determination.
- G. Defendant understands its legal obligation not to retaliate against the Settlement Class members for their participation and/or election to participate in the benefits to be afforded any of them by the Settlement and/or the Action.
- H. Notice of Final Judgment. A notice of the Court's Final Judgment and Order will be posted on the Settlement Administrator's website for the Settlement Class members and PAGA Aggrieved Employees, in compliance with CRC Rule 3.771(b).

11. **Final Approval.** Following preliminary approval and within fifteen (15) business days of the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payment, settlement administration costs, and payment to the LWDA for its share of civil penalties under PAGA; and
- C. Entering judgment pursuant to California Rule of Court 3.769, confirming the release herein. This judgment will constitute a binding and final resolution of any

and all Released Claims by the participating Settlement Class members who do not timely opt-out of the Settlement.

Plaintiff will provide Defendant with five (5) business days to review Plaintiff's Motion for Final Approval prior to it being filed with the Court

12. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties or their respective counsel, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Confidentiality.** The Parties agree that this Settlement Agreement is confidential (except for purposes of enforcement) and that neither Party will issue any press release or other public or non-public representation regarding the Settlement, other than as necessary to obtain court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about the Action. Plaintiff's Counsel will not communicate with other plaintiff's counsel about this Settlement, nor utilize it in any way in their marketing or advertising materials or website. Notwithstanding the above, Plaintiff's Counsel may communicate with Settlement Class members for purposes of the Settlement, subject to the limitations set forth in Section 9.D.ii, above. Nothing herein shall prohibit any of the Parties from disclosing information relating to the Settlement Agreement as required by law.

15. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiff: Fletcher W. Schmidt of Haines Law Group, APC  
2155 Campus Drive, Suite 180, El Segundo, CA 90245  
fschmidt@haineslawgroup.com

if to Defendant: Rick Bergstrom of Jones Day  
4655 Executive Drive, Suite 1500, San Diego, CA 92121  
rjbergstrom@jonesday.com

16. **Jurisdiction of the Superior Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction

of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders in connection therewith.

17. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement other than Plaintiff's, Class Members', and the LWDA's release of claims, as set forth herein, is found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

18. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

19. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

20. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

**IN WITNESS THEREOF**, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, have had the opportunity to and have in fact consulted with counsel of their own choice before signing this Settlement Agreement, accept and agree to the provisions contained herein, and hereby execute it voluntarily and with full understanding of its consequences.

**RAFAEL PEREZ**

Dated: 6/22/23

  
\_\_\_\_\_  
Rafael Perez, Plaintiff

**KYOCERA SGS PRECISION TOOLS, INC.**

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

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

of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders in connection therewith.

17. **Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement other than Plaintiff's, Class Members', and the LWDA's release of claims, as set forth herein, is found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

18. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

19. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

20. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

**IN WITNESS THEREOF**, the Parties to this Settlement Agreement each acknowledge that they have read the foregoing Settlement Agreement, have had the opportunity to and have in fact consulted with counsel of their own choice before signing this Settlement Agreement, accept and agree to the provisions contained herein, and hereby execute it voluntarily and with full understanding of its consequences.

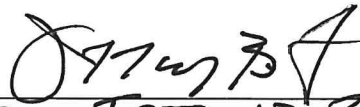
**RAFAEL PEREZ**

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

\_\_\_\_\_  
Rafael Perez, Plaintiff

**KYOCERA SGS PRECISION TOOLS, INC.**

Dated: 6.21.23

  
\_\_\_\_\_  
By: JEFFREY B. FAUCH  
Its: CHIEF FINANCIAL OFFICER

**APPROVED AS TO FORM:**

Dated: June 26, 2023

**HAINES LAW GROUP, APC**

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

Paul K. Haines  
Fletcher W. Schmidt  
Matthew K. Moen  
Attorneys for Plaintiff

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

**JONES DAY**

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

Rick Bergstrom  
Koree B. Wooley  
Attorneys for Defendant

**APPROVED AS TO FORM:**

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


**HAINES LAW GROUP, APC**

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

Paul K. Haines  
Fletcher W. Schmidt  
Matthew K. Moen  
Attorneys for Plaintiff

Dated: June 21, 2023

**JONES DAY**

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

Rick Bergstrom  
Koree B. Wooley  
Attorneys for Defendant