1 2 3 4 5	Daniel J. Brown (SBN 307604) dbrown@stansburybrownlaw.com STANSBURY BROWN LAW, PC 2610 1/2 Abbot Kinney Blvd. Venice, California 90291 Tel. (323) 204-3124 Attorneys for Plaintiff	E-FILED 5/3/2023 8:00 AM Superior Court of California County of Fresno By: Louana Peterson, Deputy		
6	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
7	FOR THE COUNTY OF FRESNO			
8	MAYRA CORINA GONZALEZ, as an individual and on behalf of all others similarly	Case No.: 22CECG03200		
9 10	situated, Plaintiff,	[Assigned for all purposes to the Hon. Jeffrey Y. Hamilton Dept. 503]		
11	v.	DECLARATION OF DANIEL J. BROWN IN SUPPORT OF		
12	FLIGHT SERVICES & SYSTEMS, INC., an Ohio corporation; DOES 1 through 100,	PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT		
13	Defendants.	Date: May 25, 2023		
14		Time: 3:27 p.m. Dept.: 503		
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16 17		Complaint Filed: February 3, 2022 Trial Date: None Set		
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I, DANIEL J. BROWN, declare as follows:

- I am the principal of the law firm of Stansbury Brown Law, PC and counsel for 1. the named plaintiff Mayra Corina Gonzalez ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.
- 2. I am a 2015 graduate of UCLA School of Law. I was admitted to the California State Bar in December 2015 after passing the bar exam on my first attempt. Since that time, I have practiced exclusively in the area of employment litigation. From December 2015 to June 2017, I worked for the law firm Rastegar Law Group, APC, an employment litigation firm in Torrance, California. The vast majority of my work at Rastegar Law Group, APC, focused on representing employees in wage and hour class actions. I was also the lead attorney on individual claims for wrongful termination, harassment, discrimination, and retaliation. While nonexhaustive, the type of work I performed included: conducting client intakes, performing prefiling research and analysis, drafting complaints, attending court hearings, corresponding with opposing counsel, drafting and responding to written discovery, preparing for and taking and defending depositions, analyzing payroll and timekeeping records and employee handbooks, drafting and opposing motions for remand, demurrers and motions to dismiss, motions to compel, drafting mediation briefs, attending mediations, drafting long-form settlement agreements, drafting motions for preliminary and final settlement approval, and overseeing the claims and/or opt-out processes.
- 3. In June 2017, I voluntarily resigned from the Rastegar Law Group, APC, in order to accept a position with the Haines Law Group, APC, an employment litigation firm specializing in employment class action litigation. During my employment at the Haines Law Group, APC, I played a significant role in the class actions that I was staffed on. In particular, I received a widearray of wage and hour class action experience performing the following types of tasks: drafting oppositions to demurrers, motions to strike and/or dismiss; remanding actions back to state court from federal court; drafting and responding to written discovery; drafting and opposing discovery

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related motions; arguing discovery related motions; interviewing putative class members and obtaining declarations in connection with class certification; drafting motions for class certification; conducting exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification and potential damages resulting from such claims; drafting mediation briefs; serving as the primary contact for opposing counsel; deposing corporate witnesses and putative class members; and defending the depositions of named plaintiffs. In short, I played an integral role in all aspects of litigation from the inception of a matter through and beyond class certification.

4. In June 2019, I started my own law firm, Stansbury Brown Law, PC focusing almost exclusively on employment litigation. Currently, over 70 percent (70%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and I am currently responsible for prosecuting over twenty (20) wage and hour class actions. The following is a nonexhaustive list of wage and hour class actions and PAGA only actions in which I have played a significant role in prosecuting the litigation, which have received final approval: Spinks v. Suja Life, LLC., Case No. 37-2014-00036496-CU-OE-CTL, California Superior Court, County of San Diego, Judge Richard E.L. Strauss presiding (approved as class counsel in wage and hour class action on behalf of non-exempt employees of a juice manufacture involving claims for unpaid wages, meal and rest period violations, and other claims); Galvan v. Amvac Chemical Corporation, Case No. 30-2014-00716103-CU-OE-CXC, California Superior Court, County of Orange, Judge William D. Claster presiding (granted final approval of settlement on behalf of non-exempt employees of a chemical manufacturing company involving claims for unpaid overtime and waiting time penalties); Blank v. Coty, Inc., et al., Case No. BC624850, California Superior Court, County of Los Angeles, Judge William F. Highberger presiding (granting final approval of a class of employees of a beauty products manufacturer involving claims for unpaid overtime, meal period violations, and wage statement violations); Lira v. Discus Dental, LLC, et al., Case No. CIVDS1620402, California Superior Court, County of San Bernardino, Judge David Cohn presiding (approved as class counsel in a wage and hour class action on behalf of nonexempt employees of a manufacturer of dental products involving claims for unpaid overtime,

minimum wage violations, meal period violations, wage statement and waiting time penalties);
Nieto v. Emtek Products, Inc. Case No. BC652704, California Superior Court, County of Los
Angeles, Judge Shepard Wiley, Jr. presiding (approved as class counsel in a wage and hour class
action on behalf of non-exempt employees of a manufacturer of door hardware involving claims
for meal and rest period violations, and for waiting time, wage statement, and for penalties
pursuant to the Private Attorneys General Act ("PAGA")); Frank Gonzalez III v. Prime
Communications, Case No. BC702262, California Superior Court, Judge Kenneth R. Freeman
presiding (granting final approval to a wage and hour class action on behalf of non-exempt
employees against a cell phone provider for meal and rest period violations, off-the-clock
violations, and for derivative penalties); Fierro v. Universal City Studios LLC, Case No.
BC642460, California Superior Court, County of Los Angeles, Judge Maren E. Nelson presiding
(granting final approval of a wage and hour class action on behalf of current and former non-
exempt employees against an amusement park involving claims for meal and rest period
violations, failure to indemnify, failure to pay all minimum and overtime wages, and for waiting
time, wage statement, and PAGA penalties); Stephen et al. v. PSC Industrial Outsourcing, LP,
Case No. BC10752, California Superior Court, County of Los Angeles, Judge Shepard Wiley Jr.
presiding (granting final approval in and wage and hour class action on behalf of current and
former non-exempt employees of an industrial cleaning company for meal and rest period
violations, unpaid wages, failure to reimburse business expenses, and waiting time, wage
statement, and PAGA penalties); Duran v. Prada USA Corp., Case No. BC644319, California
Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (approved as class counsel
in a wage and hour class action on behalf of current and former employees of a clothing store
involving claims for unlawful claw back of earned commissions, meal and rest period violations,
failure to reimburse necessary business expenses, and derivate claims for penalties); Honorato
Lopez v. Moon Valley Nursey, Inc., Case No. BC668161, California Superior Court, Los Angeles
County, Judge John Shepard Wiley, Jr. (approved as class counsel in a wage and hour class action
on behalf of current and former employees of a commercial nursery involving claims for failure
to pay for all hours worked, automatically deducting work time for meal periods regardless if

taken, rest period violations, and derivate claims for penalties); Alfaro v. Orange Automotive d/b/a
Kia of Orange, Case No, 30-2017-00945105-CU-OE-CXC, California Superior Court, County of
Orange, Judge Randall J. Sherman presiding (approved as class counsel in a wage and hour class
action on behalf of current and former employees of a car dealership involving claims for
minimum wage violations, meal and rest period violations, failure to reimburse business
expenses, wage statement violations, waiting time penalties, and PAGA penalties); Lemus v.
Promenade Imports, LLC, California Superior Court, County of Orange, Judge William Claster
presiding (granting final approval in a wage and hour class action on behalf of current and former
non-exempt employees of a car dealership involving claims for minimum wage violations, meal
and rest period violations, failure to reimburse business expenses, and claims for derivative
penalties); Garcia v. Fabrica International, Inc., Case No. 30-2017-00949461-CU-OE-CXC,
California Superior Court, County of Orange, Judge William Claster presiding (approved as class
counsel in a wage and hour class action on behalf of current and former non-exempt employees
of a high-end residential carpets and custom rugs company involving claims for meal and rest
period violations, regular rate miscalculation, unlawful rounding policy, and claims for derivative
penalties); Perez v. Moss Bros. Auto Group, Inc., et al., Case No. RIC1709905, California
Superior Court, County of Riverside, Judge Craig G. Reimer presiding (granting final approval
of a wage and hour class action on behalf of current and former non-exempt employees of a car
dealership involving claims for minimum wage violations, failure to pay all overtime wages, meal
period violations, rest period violations, wage statement violations, and civil penalties under the
PAGA); Gonzalez v. Lacey Milling Company, Case No. 19C-0361, California Superior Court,
County of Kings, Judge Kathy Cuiffini presiding (approved as class counsel in a wage and hour
class action on behalf of current and former non-exempt employees of flour packing company
involving claims for meal and rest period violations, unlawful rounding policy, and claims for
derivate penalties); Prelle v. The Ensign Group, Inc., 37-2019-00068105-CU-OE-CTL,
California Superior Court, County of San Diego, Judge Richard S. Whitney presiding (granting
PAGA approval on behalf of former non-exempt employees of a nursing facility involving claims
for meal and rest period violations, failure to reimburse, and derivative penalties); Alvino v.

Family Ranch, Inc., et al., Case No. 19CECG04356, California Superior Court, County of Fresno,
Judge Kristi Culver Kapetan presiding (granting PAGA approval on behalf of former non-exempt
employees of a farm labor contractor involving claims for meal and rest period violations, failure
to reimburse, off the clock work, and derivative penalties); Massey v. Louidar, Case No.
RIC1905130, California Superior Court, County of Riverside, Honorable Sunshine Sykes,
presiding (approved as class counsel in a wage and hour class action on behalf of current and
former non-exempt employees of a restaurant involving claims for minimum wage and overtime
violations, meal and rest period violations, and claims for derivative penalties); Jesse Alvarez v.
Associa Developer Services, Inc., et al., Case No. RIC1905170, California Superior Court,
County of Riverside, Honorable Sunshine S. Sykes presiding (approved as class counsel in a wage
and hour class action on behalf of current and former non-exempt employees of a property
management company involving claims off-the-clock work, unpaid overtime, on-duty meal and
rest periods, and claims for derivative penalties); Saul Tamayo Diaz v. Antonini Bros., Case No.
STK-CV-UOE-2020-0000823, California Superior Court, County of San Joaquin, Honorable
George J. Abdallah presiding (approved as class counsel in a wage and hour case on behalf of
current and former non-exempt truck drivers for unpaid minimum wages, meal and rest period
violations, and derivative wage statement, waiting time, and PAGA civil penalties); Manuel
Alberto Alvino v. Aguayo Contracting, Inc., Case No. VCU281300, Superior Court of California,
County of Tulare, Honorable David C. Mathias, Dept. 01 (approved as class counsel in a wage
and hour class action on behalf of current and former agricultural workers for unpaid wages, meal
and rest period violations, and derivate penalties); Nazario Martinez v. JNM Contracting, Inc., et
al., Case No. VCU282822, Superior Court of California, County of Tulare, Honorable Nathan
Ide presiding (approved as class counsel in a wage and hour class and representative action on
behalf of current and former non-exempt agricultural workers for unpaid wages, meal and rest
period violations, and derivate penalties); Gabriel Valles v. Fresno Fab-Tech, Inc., Case No.
19CECG04218, Superior Court of California, County of Fresno, Honorable D. Tyler Tharpe
presiding (approved as class counsel in a wage and hour class action on behalf of metal fabricators
for unpaid wages, meal and rest period violations, and associated penalties); Vazquez, et al. v.

Kraft Heinz Foods Company, Case No. 16-CV-02749-WGH (AGS), United States District Court, Southern District of California, Honorable William Q. Hayes presiding (certifying subclasses of employees for meal period violations, failure to pay for all hours worked, and a derivate waiting time class); Maria Chavarin De Gamez v. California Fruit Basket, Inc., et al., Case No. 20CECG02531., Honorable Jeffrey Y. Hamilton presiding (approved as class counsel at an hourly rate of \$609 in a wage and hour class action on behalf of food processors for unpaid wages, meal and rest period violations, and associated penalties).

- 5. I was also named a Southern California Super Lawyers' Rising Star in the area of employment litigation three years in a row from 2019 to 2023 by Thomson Reuters. This is an honor awarded to no more than 2.5% of attorneys under the age of forty in Southern California. I was also recognized by TopVerdict for being part of a team that secured one of the top 50 labor and employment law settlements in California in 2019. I am also active in the California employment and consumer law community. I am a member of the Consumer Attorneys Association of Los Angeles ("CAALA") and the California Employment Lawyers Association ("CELA") for which I serve on the CELA Wage and Hour Committee. I also participate in the CELA mentor program to provide mentorship and guidance to young attorneys interested in employment law.
- 6. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in every aspect of this case from its inception through the present, and I believe that the proposed Settlement is a reasonable result for the Settlement Class.
- 7. Defendant Flight Services & Systems, Inc. is an airport staffing agency headquartered in Cleveland, Ohio. FSS has a contract with Aeromexico to provide staffing services such as passenger service and ground handling for its operations out of Fresno Yosemite International Airport ("FAT"). Plaintiff was employed by FSS from approximately 2016 to 2018 as a non-exempt employee providing passenger and handling services at FAT. She was then rehired in 2019 as a non-exempt employee providing passenger services until she resigned again in 2021 because of the alleged systemic wage and hour violations she and other employees experienced while working for FSS. Plaintiff's claims are predicated on, among other issues,

Defendant's alleged failure to pay for all hours worked, its meal and rest period policies/practices, and its failure to reimbursement cellular phone expenses. While the putative class provided staffing services for Aeromexico pursuant to its contract with FSS, Class Members reported directly to FSS supervisors who directly controlled their working conditions and pay. On September 1, 2022, FSS was purchased by G2 Secure Staff, LLC. As such the Class Period ends on August 31, 2022.

- 8. Plaintiff Gonzalez filed a class action complaint against Defendant FSS on February 3, 2022, in Santa Clara County Superior Court, Case No. 22CV393952, which alleges causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse for necessary business expenses; (6) wage statement violations; (7) waiting time penalties; (8) unfair competition; and, (9) violations of Labor Code § 204. Plaintiff Gonzalez filed the operative FAC on April 15, 2022, to add an additional cause of action for civil penalties under the Private Attorneys General Act ("PAGA") pursuant to Labor Code Sections 2698 *et seq.* based on claims asserted in the PAGA letter that Plaintiff submitted to the California Labor & Workforce Development Agency ("LWDA") on February 3, 2022, in Case No. LWDA-CM-866352-22 ("PAGA Letter"). The Complaint, FAC, and PAGA Letter are referred to herein as the "Pleadings." On June 2, 2022, pursuant to the Parties' stipulation, the case was transferred to Fresno County Superior Court, Case No. 22CECG03200 (the "Lawsuit").
- 9. I transmitted Defendant's mediation production to my expert, Bennett Berger a Partner and Senior Data Analyst at Berger Consulting Group. I asked Mr. Berger to perform specific analyses using the records that Defendant produced. The damages analysis discussed in ¶¶ 14-20 of this declaration is based on Mr. Berger's analysis. A true and correct copy of Mr. Berger's curriculum vitae is attached hereto as **Exhibit D.** Mr. Berger received a Bachelors of Art in Business Management Economics from the University of California, Santa Cruz in 2011. He has been engaged in over 1,750 employment and labor law class-action litigation matters to consult on data collection and analysis since 2013. All of the cases he has worked on required extensive use of Excel and data analysis including but not limited to writing formulas and custom equations to determine individual and/or class-wide violation rates. He has experience processing

and analyzing electronic time and payroll records in a variety of native formats including XLSX, CSV, Kronos as well as processing PDF records in a way they can be electronically analyzed. He has been hired to determine and analyze claims for rounding, meal breaks, rest breaks, overtime, off-the-clock, regular rate of pay, reimbursement claims, driving time calculations, derivative penalties, and other wage and hour claims. His experience within Excel consists of using standard Excel functions, building custom Visual Basic for applications (VBA) macros, using pivot tables, writing complex conditional formulas, and utilizing other Excel capabilities to analyze class action cases.

- asampling of all time and pay records for a random approximately 5% sampling of class members based on the number of class members at the time the sampling was conducted. To conduct the sampling, all workers were organized alphabetically by last name. Defendant also produced its wage and hour policies, employee handbooks, Plaintiff's personnel file, and other documents and information relevant to the claims alleged in advance of mediation. After the detailed review of the payroll and time records and other documents and policies produced by Defendant, I drew on my extensive experience in similar cases to assess strengths and weaknesses of Plaintiff's case. This discovery allowed the Parties to assess the merits and value of Plaintiff's claims and Defendant's defenses thereto, if a settlement could not be reached. Plaintiff, with the help of my firm's retained expert, Mr. Berger, extrapolated the sampling of records Defendant produced in order to cover the putative class period.
- 11. On December 22, 2022, after extensive research and analysis, including Class Counsel's detailed analysis of Defendants' potential exposure with the help of a retained economics expert, a full-day mediation was held with Mariam Zadeh, Esq., a well-respected wage and hour class action mediator. After a full day mediation, the parties ultimately reached a tentative class wide settlement by way of a mediator's proposal. Thereafter, the Parties signed the Stipulation of Class and PAGA Settlement ("Settlement"). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit A**. The proposed Notice of Class and PAGA Representative Action Settlement is attached hereto as **Exhibit B**.
 - 12. The monetary terms of the Settlement are summarized below:

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Maximum Settlement Amount ("MSA"):	\$420,000.00
Minus Court-approved attorneys' fees (1/3 of MSA):	\$140,000.00
Minus Court-approved, verified costs (up to):	\$20,000.00
Minus Court-approved Class Representative Enhancement Payment:	\$5,000.00
Minus Settlement Administrator costs:	\$6,250.00
Minus PAGA Payment to the LWDA:	\$3,750.00
Net Settlement Fund ("NSF"):	\$245,000.00

- 13. According to Defendants, and as confirmed by the class list produced as part of mediation, there are approximately 269 total Class Members. Therefore, the average Individual Settlement Award is projected to be approximately \$1,680.30.
- 14. Plaintiff alleges that during the relevant time period, Plaintiff and other nonexempt employees were paid for their scheduled hours worked, as opposed to actual hours worked resulting in uncompensated off-the-clock work, which included time spent going through security check points. Based on interviews with Class Members and a review of the data produced for mediation, Plaintiff estimates 30 minutes of off-the-clock work per shift resulting in 62,640 hours of off-the-clock work and calculates Defendant's potential exposure on this claim as follows: 62,640 off-the-clock hours * \$14.63 average hourly wage = \$916,423 in unpaid wages. Defendant countered that throughout the Class Period it paid employees for all hours worked. Moreover, Defendant argues that by its very nature this claim is not suited for class treatment, as there are no records to show how often, if ever, that employees were required to go through security screenings before clocking in. Defendant also argued that to the extent employees did go through security screenings off-the-clock this was not for the benefit of Defendant and was the airport's requirement and thus this time did not need to be compensated. Further, to the extent this time needed to compensated Defendant argues Plaintiff significantly overestimates the amount of time Class Members spent going through security checks. In light of these defenses, Plaintiff discounted the maximum amount for this claim by 60% for risk of non-certification, and an additional 65% for a risk of being unsuccessful on the merits, or having exposure reduced to arrive at an estimated exposure of \$128,299.
 - 15. During the Class Period, Plaintiff alleges that she and other Class Members were

specifically told by Defendant's forepersons that they could not leave the airport during their meal periods. Defendant allegedly required employees to remain on premise as a result of its practice of intentionally understaffing shifts to reduce costs. Moreover, Plaintiff alleges Defendant had a formal written policy of not actually recording meal periods and instead autodeducted 30 minutes from employees' compensable time each shift regardless of whether or not a meal period was taken. As such, Defendant did not maintain records of the start and stop time for meal periods. Plaintiff alleges that the fact that meal periods were not recorded leads to an evidentiary presumption that no meal periods were provided. Moreover, Plaintiff contends that a review of the Class time and pay records confirms that Defendant failed to pay any meal period premium wages per Labor Code Section 226.7, which itself is a certifiable issue. Plaintiff assumes a non-compliant meal period with 30-minute auto-deduct on each shift over 5.0 hours and calculates FSS's exposure for first meal period violations as follows: 57,452 shifts with noncomplaint first meal period * \$14.93 average regular rate of pay = \$857,758.00. However, Defendant maintains that it has always provided legally required meal periods to Class Members and maintained and enforced lawful written and verbal meal period policies which provide for timely first and second meal periods. Defendant further argues that this claim would not be certified due to the lack of any common evidence tying together the reason that Class Members did not record a meal period and that there is no liability for Class Members voluntarily waiving meal periods. Defendant also argues that the presence of these affirmative defenses as to the voluntariness of a particular meal period decision would preclude class certification. Therefore, Plaintiff discounted the maximum amount that the class could potentially recover for meal period violations by 40% for a risk of non-certification, and an additional 50% for a risk of losing on the merits, or having exposure reduced due to Defendant's waiver arguments, to arrive at an estimated exposure amount of \$257,327.

16. Plaintiff argues that Defendant failed to maintain any written rest period policies. Moreover, as with meal periods, to the extent FSS authorized rest periods, Plaintiff alleges FSS did not permit employees to leave their work stations during these breaks. Based on the above, Plaintiff calculated Defendant's maximum exposure for rest period violations, assuming a violation on every shift worked over 3.5 hours as follows: 119,524 shifts over 3.5 hours * \$14.93

average hourly regular rate of pay = \$1,784,493. However, Defendant contends that, despite Plaintiff's arguments to the contrary, it maintained legally-compliant rest period policies and practices throughout the Class Period and authorized and permitted all rest periods to Class Members. Defendant further argues that Plaintiff's rest period claim is inherently unsuited for class treatment as there are no records of whether or not rest periods were made available but not taken, therefore requiring an individualized inquiry into whether each Class Member failed to take rest periods on each shift, which would devolve into an unmanageable series of mini-trials. In light of these defenses, Plaintiff discounted the maximum amount for this claim by 70% for risk of non-certification, and an additional 65% for a risk of being unsuccessful on the merits to arrive at an estimated exposure of \$187,371.

- Plaintiff alleged that during the relevant time period, Plaintiff and the putative 17. Class were not reimbursed for cellular phone use. This included the requirement that Plaintiff's download WhatsApp on their phone to communicate with co-workers during their shift. Plaintiff estimates that every employee should have been paid \$40 per month for cell phone reimbursement and calculates FSS's exposure for failure to reimburse as follows: 6,768.5 months worked * \$40.00 per month = \$270,720.00. However, Defendant argues that putative Class Members did not need to use cellular phones for work as the only employees that regularly needed to communicate by phone were exempt managers, and company-provided tablets were available for use by employees when necessary. Defendant also argues that this claim is not suitable for class treatment, as it would require individualized determinations as to whether each Class Member had to use their phone, whether a request for reimbursement was made to Defendant, and if so, how much expense each Class Member incurred. In light of these defenses, Plaintiff discounted the maximum amount for this claim by 70% for risk of non-certification, and an additional 70% for a risk of being unsuccessful on the merits, or having exposure reduced to arrive at an estimated exposure of \$16,243.
- 18. With respect to wage statement violations, Plaintiff contends that for each pay period in which there is a meal or rest period violation, or failure to properly pay all wages owed, Plaintiff and class members would have received a non-compliant wage statement in violation of Labor Code Section 226. These types of derivate claims are routinely certified. Plaintiff's data

analysis reflected that there were approximately 5,361 total wage statements issued during the relevant period and approximately 173 unique employees during the applicable time period. Plaintiff calculated Defendant's maximum exposure for wage statement violations at \$527,450.00 (173 initial violations x \$50 for initial penalty) + (5,188 subsequent violations x \$100 subsequent violation penalty). Based on Defendant's arguments that: (i) no violations occurred, (ii) any alleged violations were not "knowing and intentional" as required by Labor Code § 226(e), (iii) no injury was suffered, and (iv) the decision in *Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308, which holds that there is no wage statement violation when the wage statements accurately reflect the compensation received by an employee, Plaintiff discounted the calculated exposure by 55% for a risk of non-certification and an additional 65% for a risk of being unsuccessful on the merits, to arrive at an estimated total of \$83,073.

- 19. Plaintiff alleges that Defendant is also liable for waiting time penalties as a result of its failure to pay all unpaid wages and premiums owed. There are approximately 162 Class Members who separated their employment with Defendant within the three-year statute of limitations period applicable to Labor Code § 203. The estimated average waiting time penalty per former employee was calculated at \$3,511.20 (\$14.63 average regular rate of pay * 8 hours per day * 30 days), resulting in a total maximum exposure of \$568,814.00 (162 former employees x \$3,511.20). To the extent that Plaintiff's waiting time penalty claim was derivative of her unpaid wage claims, Defendant argues that not all former employees (if any) did, in fact, experience underpayment of wages (and therefore Plaintiff's exposure was overstated). Defendant also contends that because it possessed good-faith defenses to the underlying claims, any failure to pay wages was not "willful" as a matter of law. As a result, Plaintiff discounted the maximum exposure by 55% to account for the risk of non-certification of the claims upon which the waiting time penalties rely, and an additional 65% for failing to prevail on the merits, including the inability to recover waiting time penalties for the inability to establish willfulness, to arrive at an estimated exposure of \$89,588.
- 20. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged Labor Code violations. The specific statutory violations upon which Plaintiff bases the claim under PAGA are: (i) Labor Code sections 510, 558, 1194, and 1198 for failing to pay all

overtime wages owed; (ii) Labor Code sections 1194, 1194.2, 1197 for failing to pay all minimum wages owed; (iii) Labor Code sections 226.7, 512, and 558 for meal period violations; (iv) Labor Code sections 226.7, 516, and 558 for rest period violations; (v) Labor Code section 226(e) for failing to provide accurate, itemized wage statements; (vi) Labor Code sections 201 through 203 for failing to pay all wages owed upon termination; (vii) Labor Code sections 2802 and 2804; and (viii) Labor Code Section 204 for failure to timely pay wages earned during employment on a pay period designated in advance. Based on the violations addressed above, Plaintiff contends that Defendant is liable for PAGA civil penalties for each of the 5,361 pay periods worked during the PAGA period. Accordingly, Plaintiff calculates Defendant's exposure at \$536,100 (5,361 pay periods * \$100 for initial violation). Attached hereto as Exhibit C is a true and correct of confirmation of the upload of the PAGA complaint to the LWDA and confirmation that the Settlement was uploaded to the LWDA website. However, Defendant asserts a number of credible defenses to Plaintiff's claims. First, these penalties derive from the underlying wage and hour violations discussed above, which Defendant vigorously disputes. Defendant also maintains that given its good faith defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Defendant liable for any of Plaintiff's claims. Defendant further alleges that none of the violations would be deemed knowing and intentional as there is no evidence to suggest Defendant intentionally violated the Labor Code and that Defendant's policies and procedures demonstrate that Defendant acted in good faith in regards to paying the putative Class Members all wages due. For these reasons, Defendant argues the Court would drastically reduce any award of PAGA penalties as "confiscatory." Therefore, Plaintiff discounted the maximum PAGA exposure by 50% for risk of losing on the merits, and an additional 80% to account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of \$53,610.

21. Using these estimated figures for each of the claims described above, Plaintiff predicted that the potential recovery for the Settlement Class would be approximately \$823,632. The proposed settlement of \$750,000 therefore represents approximately 93% of the reasonably forecasted recovery for the Class. Plaintiff also alleged in the operative first amended class and representative action complaint ("FAC") that Defendant would automatically clock Plaintiff out

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of her shift to not compensate Plaintiff for overtime hours worked and did not compensate Plaintiff at an overtime rate of pay for the seventh consecutive day worked in a workweek, but after my office and my data expert reviewed the time keeping and pay data produced for mediation, they determined that the records did not substantiate these claims and therefore assigned them zero value. Moreover, Plaintiff also alleged second meal period violations, but further investigation determined that Plaintiff and the putative class worked few shifts over 10 hours during the Class Period that would have entitled them to a second meal period, and therefore did not assign any value to this claim.

- 22. My office will also apply for an attorneys' fees award of one-third of the MSA, which is currently estimated to be \$250,000 and up to \$20,000 in verified costs reimbursement. I believe that the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. My office has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing Plaintiff's claims, drafting and winning a motion to overturn individual settlement agreements, conducting legal research, reviewing documents produced by Defendants, performing substantial data analysis of putative class members' timekeeping data and payroll records, working with a retained expert to create a comprehensive damages model, preparing for and attending mediation, negotiating and preparing the long-form Settlement Agreement, and preparing the Motion for Preliminary Approval. I also anticipate my office incurring future attorneys' fees in overseeing the notice process, fielding phone calls from Class Members, preparing the Motion for Final Approval and appearing at the Final Approval hearing.
- 23. Plaintiff will seek a Class Representative Enhancement Payment of \$5,000, and I believe this Enhancement Payment is reasonable given Plaintiff's effort in this case and the risks she undertook on behalf of the Settlement Class, including the risk that he could be held liable for Defendants' costs if this case was unsuccessful. Plaintiff was integral in the prosecution of this action, by, among other things, providing substantial factual information and documents to Class Counsel, attending multiple telephonic meetings to discuss the claims and theories at issue in the litigation, and otherwise actively participating in the prosecution of his claims.

- 24. Although the Parties engaged in significant informal discovery in advance of mediation, the Parties still had significant written and deposition discovery to complete in formal litigation had the matter not settled. This would have required expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Moreover, Plaintiff still had to file for class certification, and faced the prospect of appeals in the wake of a disputed class certification ruling for Plaintiff and/or an adverse summary judgment ruling. Even if the classes sought to be certified by Plaintiff were in fact certified, the Parties would incur considerably more attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. This settlement avoids those risks and the accompanying expense.
- 25. My office accepted a bid to administer the settlement of this case from Phoenix Settlement Administrators for \$8,000.00. This bid was in line with other bids I received in similar cases and tied for the lowest bid I received in this case. Moreover, Phoenix Settlement Administrators has provided excellent class action administration services in past class actions they had administered in which I have served as Class Counsel. For these reasons, I believe the court should approve Phoenix Settlement Administrators to administer the settlement.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct. Executed on May 3, 2023 at Venice, California.

Daniel J. Brown

STIPULATION OF CLASS AND PAGA SETTLEMENT

This Stipulation of Class and PAGA Settlement ("Settlement Agreement") is reached by and between Plaintiff Mayra Corina Gonzalez ("Plaintiff"), individually and on behalf of all Class Members (including Aggrieved Employees), defined below, and Flight Services & Systems, Inc. ("FSS" or "Defendant"), (Plaintiff and Defendant are referred to herein as the "Parties"). Plaintiff and Class Members (including Aggrieved Employees) are represented by Daniel J. Brown of Stansbury Brown Law, PC ("Class Counsel"). Defendant FSS is represented Kathy H. Gao of Morgan, Lewis & Bockius LLP.

Plaintiff Gonzalez filed a class action complaint against Defendant FSS on February 3, 2022, in Santa Clara County Superior Court, Case No. 22CV393952, which alleges causes of action for: (1) minimum wage violations (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to reimburse for necessary business expenses; (6) wage statement violations; (7) waiting time penalties; (8) unfair competition; and, (9) violations of Labor Code § 204. Plaintiff Gonzalez filed a First Amended Class and Representative Action Complaint ("FAC") on April 15, 2022, to add an additional cause of action for civil penalties under the Private Attorneys General Act ("PAGA") pursuant to Labor Code Sections 2698 et seq. based on claims asserted in the PAGA letter that Plaintiff submitted to the California Labor & Workforce Development Agency ("LWDA") on February 3, 2022, in Case No. LWDA-CM-866352-22 ("PAGA Letter"). The Complaint, FAC, and PAGA Letter are referred to herein as the "Pleadings." On June 2, 2022, pursuant to the Parties' stipulation, the case was transferred to Fresno County Superior Court, Case No. 22CECG03200 (the "Lawsuit").

On December 16, 2022, and continuing thereafter in subsequent negotiations that occurred between then and the present, the Parties, represented by their respective counsel of record, privately mediated the Lawsuit, before Mariam Zadeh, Esq., of Resolve Consulting. Prior to mediation, the Parties conducted significant investigation of the facts and law. This included review and analysis of Defendant's policies and putative class members' time records and payroll records. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the damages and penalties claimed by Plaintiff in the Lawsuit. As a result of the Parties' thorough investigation of the allegations and defenses thereto, they were able to reach an agreement at the mediation after extensive negotiations.

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

- 1. <u>Certification for Settlement Purposes</u>. For the purposes of this Settlement Agreement only, the Parties stipulate to certification of the following Class:
 - A. The "Class" (or "Class Members") is defined as all current and former non-exempt employees of Defendant Flight Services & Systems, Inc. who worked for Defendant at

Fresno Yosemite International Airport at any time during the period of February 3, 2018 through August 31, 2022 (the "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 or Federal Rule of Civil Procedure Rule 23.

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. If the Court does not enter the Order granting final approval and/or does not enter judgment consistent with this Settlement Agreement, then this Settlement Agreement shall be deemed null and void *ab initio*, it shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiation, terms and entry of the Settlement Agreement shall remain subject to the provisions of Federal Rules of Evidence 408 and California Evidence Code sections 1119 and 1152, and any other analogous rules of evidence that are applicable. To the extent this Settlement Agreement is deemed void or the Effective Date (defined below) does not occur, the Parties agree that Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Lawsuit upon all procedural and factual grounds, as well as asserting any and all other potential defenses or privileges.

2. Releases.

- A. Released Parties. As referenced herein, Released Parties shall collectively mean: Defendant Flight Services & Systems, Inc. and all its affiliated parties and entities, including its past and present affiliates, parents, subsidiaries, predecessors, owners, successors, shareholders, divisions, and each of these entities' past and present directors, officers, managing agents, employees, partners, benefit plans, shareholders and representatives.
- B. Released Class Claims. All Class Members who do not opt out of the settlement (collectively, "Settlement Class Members") release Released Parties from any and all wage and hour and/or wage payment claims, obligations, demands, actions, rights, causes of action, and liabilities (including state statutory and common law claims) that accrued or arose during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the operative FAC and/or Plaintiff's PAGA Letter, including: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods; (d) failure to provide rest periods; (e) failure to reimburse for necessary business expenses; (f) failure to provide accurate, itemized wage statements; (g) failure to pay final wages and/or waiting time penalties; (h) unfair competition; (i) failure to timely pay wages; (j) all other claims that are or were asserted or that could have been asserted based on the facts alleged in the FAC and/or Plaintiff's PAGA Letter to the LWDA; and (k) penalties (including civil, statutory, and/or wage penalties, based on the underlying Labor Code violations), liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, or additional damages which allegedly arise from the claims described in (a) through (k) above under any

applicable law. This release specifically includes the following statutory claims: any and all claims that were pled or that could have been pled based on the facts alleged in the FAC and/or Plaintiff's PAGA Letter to the LWDA arising under the California Labor Code, including, §§ 201-204, 210, 226, 226.7, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2698 et seq., 2699 et seq., 2802, 2804, California Business & Professions Code §§ 17200, et seq., and Wage Order No. 9 §§ 3, 4, 5(A), 7, 11, 12 (collectively "**Released Class Claims**"). The release extends to the limits of the Class Period.

C. Released PAGA Claims. Plaintiff and all current and former non-exempt employees of Defendant Flight Services & Systems, Inc. who worked for Defendant at Fresno Yosemite International Airport at any time during the period of February 3, 2021 up to August 31, 2022 (the "PAGA Period") (collectively, "Aggrieved Employees") will release the Released Parties from any and all claims for PAGA civil penalties that accrued or arose during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the operative FAC and/or Plaintiff's PAGA Letter, including: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods; (d) failure to provide rest periods; (e) failure to reimburse for necessary business expenses; (f) failure to provide accurate, itemized wage statements; (g) failure to pay final wages and/or waiting time penalties; and (h) failure to timely pay wages. This release specifically includes claims for civil penalties under the PAGA that were pled or that could have been pled based on the facts alleged in the FAC and/or Plaintiff's PAGA Letter arising under California Labor Code sections §§ 201-204, 210, 226, 226.7, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2698 et seq., 2699 et seq., 2802, 2804, and Wage Order No. 9 §§ 3, 4, 5(A), 7, 11, 12 (collectively "Released PAGA Claims"). The release extends to the limits of the PAGA Period.

D. Plaintiff's General Release Including of Unknown Claims.

As a material inducement to Defendant to enter into this Settlement Agreement, in addition to Plaintiff's release of the Released Class Claims and Released PAGA Claims, (defined below), Plaintiff does hereby, for herself and her spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Plaintiff's employment with Defendant or the remuneration for or termination of such employment (collectively, "Plaintiff's Released Claims"). Without limiting the generality of the foregoing, Plaintiff's

Released Claims also expressly includes a release of: (a) any and all claims under Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), the Americans with Disabilities Act ("ADA"), the Employee Retirement Income Security Act, as amended ("ERISA") (regarding unvested benefits), the Family and Medical Leave Act ("FMLA") (regarding existing but not prospective claims), the Fair Labor Standards Act ("FLSA"), the Equal Pay Act, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act ("FCRA"), the Worker Adjustment and Retraining Notification Act ("WARN Act"), the National Labor Relations Act ("NLRA"), the Uniform Services Employment and Reemployment Rights Act ("USERRA"), the Genetic Information Nondiscrimination Act ("GINA"), the Immigration Reform and Control Act ("IRCA"), the FEHA, the California Constitution, the California Family Rights Act ("CFRA"), the California Labor Code (including PAGA) and applicable Wage Order(s), the Unfair Competition Law, all as amended by their respective implementing regulations, and any other federal, state or local law, (statutory, regulatory, or otherwise) that may be legally waived and released; however the identification of specific statutes or law shall not limit the scope of this general release in any manner; and (b) any and all claims for backpay, regular pay, minimum wages, premium pay, overtime pay, other wages, expenses, penalties, failure to provide meal and/or rest periods, failure to reimburse business expenses, compensatory damages, special damages, interest, restitution, tort claims, contract claims, equitable claims, hostile work environment claims, workplace harassment claims, wrongful termination claims, discrimination claims, public policy claims, retaliation claims, failure to provide reasonable accommodation claims, failure to engage in the interactive process claims, failure to prevent discrimination claims, failure to prevent retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and/or attorneys' fees and costs (hereinafter, "General Released Claims").

Plaintiff agrees to release, in addition to the Released Class Claims, Released PAGA Claims, and General Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Plaintiff understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Plaintiff, on behalf of herself and the Participating Members, acknowledges and agrees that the claims for unpaid wages, meal and rest period violations, and untimely payment of wages in the Lawsuit are disputed and that the payments set forth herein constitute payment of all sums allegedly due to her. Plaintiff, on behalf of herself and the Participating Members, acknowledge and agree that

California Labor Code section 206.5 is not applicable to the Parties hereto. However, to the extent that Plaintiff has claims that cannot be released as a matter of law (i.e., workers' compensation claims), then those claims will not be released.

- 3. <u>Settlement Payment</u>. In exchange for the releases set forth in this Settlement Agreement, Defendant agrees to pay a common fund Seven Hundred Fifty Thousand Dollars (\$750,000) ("Maximum Settlement Amount" or "MSA") in full and complete settlement of this matter, subject to Paragraphs (3)(E) (F) below, as follows:
 - A. Funding of the Maximum Settlement Amount. Defendant FSS shall fund the Maximum Settlement Amount within 15 business days of the Settlement Administrator providing Defendant with wiring instructions and the final amount to be wired after the "Effective Date" which shall be defined as the latest of the following dates: (i) if no Class Member objects, intervenes, and/or files a motion to vacate the final approval and/or judgment approving the settlement, then the date on which the Court enters an Order granting final approval and judgment; (ii) if a Class Member objects, intervenes, and/or files a motion to vacate the final approval and/or judgment approving the settlement, then the day after the last date on which any appeal might be filed; or (iii) if a timely appeal is filed, the date of the successful resolution of any appeal(s) including expiration of any time to seek reconsideration or further review).
 - B. **Disbursement of Maximum Settlement Amount.** Within twenty-one (21) calendar days following the full funding of the Maximum Settlement Amount with the Settlement Administrator by Defendant, the Settlement Administrator will calculate Participating Member Payments (defined below) and mail Participating Member Payments to Participating Members (defined below) and transfer to Class Counsel its attorney's fees and verified costs.
 - C. Releases Effective Upon Full Payment of the MSA. The releases identified in Paragraphs 2(A) (D) becoming effective are conditioned upon Defendant's payment of the entire Maximum Settlement Amount. If Defendant fails to fully fund the MSA, the releases described above will be null and void.
 - D. **Non-revisionary.** This is a non-reversionary settlement. The Maximum Settlement Amount Includes:
 - i. All payments to the Participating Members;
 - ii. <u>Settlement Administrator</u>. All fees and expenses of the Settlement Administrator associated with the administration of the settlement, which are anticipated to be no greater than Eight Thousand Dollars and Zero Cents (\$8,000.00). The Parties agree to the appointment of Phoenix Settlement Administrators as the settlement administrator ("Settlement Administrator") and to Class Counsel seeking Court approval to pay up to Eight Thousand Dollars and Zero Cents (\$8,000.00) from the Maximum Settlement Amount for the Settlement Administrator's services. The Settlement Administrator shall be

responsible for sending all required notices in both English and Spanish, providing written reports to Class Counsel and Defendant's counsel that, among other things, tally the number of Class Notices mailed or re-mailed, Class Notices returned as undeliverable, Requests for Exclusion, objections, and disputes received from Class Members, calculating the Net Settlement Amount (defined below), calculating each Participating Member's Participating Member Payment, preparing all checks and mailings and disbursing all funds resulting from uncashed settlement checks as set forth in Paragraph 4(C), and providing declarations regarding the Settlement Administrator's background and services for preliminary approval, attesting to its due diligence and compliance with all of its obligations under this Settlement Agreement for final approval, and a final report detailing disbursement of the Maximum Settlement Amount in compliance with the order granting final approval. The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount only after checks have been mailed to all Aggrieved Employees and Settlement Class Members (collectively "Participating Members");

Qualified Settlement Fund. The Parties agree that the Settlement Administrator shall establish a Qualified Settlement Fund ("QSF") that is intended to be pursuant to Section 468B of the Code and Treas. Reg. §1.468B-1, 26 CFR § 1.468B-1 et seq., and will be administered by the Settlement Administrator as such. With respect to the QSF, the Settlement Administrator shall: (1) open and administer a settlement account in such a manner as to qualify and maintain the qualification of the QSF as a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. §1.468B-1; (2) satisfy all federal, state and local income and other tax reporting, return, and filing requirements with respect to the QSF; and (4) satisfy out of the QSF all fees, expenses, and costs incurred in connection with the opening and administration of the QSF and the performance of its duties and functions as described in this Settlement Agreement. The aforementioned fees, costs, and expenses shall be treated as and included in the costs of administering the QSF and as Settlement Administration costs;

Enhancement Payment. Up to Five Thousand Dollars (\$5,000) for an Enhancement Payment to Plaintiff subject to Court approval ("Enhancement Payment"). Defendant will not object to a request for a Class Representative Enhancement Payment for Plaintiff in exchange for the general release of her claims, her time and risks in prosecuting this case, and her service to the Class. This payment will be in addition to Plaintiff's Participating Member Payment (defined below) as a Participating Member. It is the intent of the Parties that the Enhancement Payment to Plaintiff is for her service in connection with this Lawsuit and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Enhancement Payment and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Enhancement Payment does not represent wages, the Internal Revenue

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

- iv. Class Counsel Fees and Costs. Up to one third (1/3) of the Maximum Settlement Amount in attorneys' fees, which is currently estimated to be Two Hundred Fifty Thousand Dollars (\$250,000.00), plus up to Twenty Thousand Dollars (\$20,000.00) in verified costs and expenses related to the Lawsuit as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, (a) the Settlement Agreement remains in full force and effect, and (b) Plaintiff and/or Class Counsel shall not have the right to revoke the settlement for that reason, and it shall remain binding. If the Maximum Settlement Amount increases pursuant to Paragraph 3(F), the amount of fees requested by Class Counsel will increase proportionally such that the requested award is one third of the MSA. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court; and
- v. <u>PAGA Amount</u>. Twenty Thousand Dollars (\$20,000.00) of the Maximum Settlement Amount has been agreed by the Parties to be allocated toward PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars (\$15,000.00), will be payable to the LWDA ("LWDA Payment"), and the remaining twenty-five percent (25%), or Five Thousand Dollars (\$5,000.00), will be payable to the Aggrieved Employees as the "PAGA Amount." The LWDA Payment and PAGA Amount are collectively referred to herein as the "PAGA Payment."
- vi. Any unapproved or unrequested amounts listed above in Paragraph 3(D) shall be added to the Net Settlement Amount (defined below) for distribution as Participating Member Payments.

- E. **Payroll Tax Payments.** Defendant's share of payroll taxes shall be paid by Defendant in addition to the Maximum Settlement Amount.
- F. Settlement Class Escalator Clause. Defendant represents that as of August 31, 2022, approximately 269 Class Members worked a combined approximately 18,610 workweeks during the Class Period. If the actual number of Class Members or workweeks worked during the Class Period is seven and a half percent (7.5%) more than the above numbers, Defendant shall increase the Maximum Settlement Amount on a pro-rata basis equal to the increase in the number of Class Members or workweeks above the 7.5% increase (e.g., if the number of Class Members or workweeks worked during the Class Period increases by 25%, Defendant will increase the Maximum Settlement Amount by 17.5%).

4. Preliminary Approval.

- A. Plaintiff shall apply to the Court for the entry of an Order:
 - i. Conditionally certifying the Class for purposes of settlement;
 - ii. Appointing Daniel J. Brown of Stansbury Brown Law, PC as Class Counsel;
 - iii. Appointing Mayra Corina Gonzalez as the Class Representative for the Class;
 - iv. Approving Phoenix Settlement Administrators as Settlement Administrator;
 - v. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
 - vi. Approving the form and content of the Class Notice, and directing the mailing of same in English and Spanish;
 - vii. Scheduling a final approval hearing; and
 - viii. Plaintiff shall submit the proposed settlement to the LWDA pursuant to Labor Code § 2699(l)(2). Proof of this submission will be provided to the Court and to Defendant's counsel.
- B. Class Counsel will prepare and file the preliminary approval motion papers, but will send the preliminary approval motion papers to Defendant's counsel for their review, comment, and approval at least two weeks prior to their filing. Defendant's counsel will prepare the proposed order granting preliminary approval.
- 5. <u>Notice Procedures</u>. Following preliminary approval, Class Members shall be notified as follows:

- A. Within thirty (30) calendar days after entry of an order preliminarily approving this Settlement Agreement, Defendant will provide the Settlement Administrator with a class list including the names, last known addresses, and social security numbers (in electronic format) of Class Members, as well as the workweeks worked by each Class Member during the Class Period and, if the Class Member also qualifies as an Aggrieved Employee, the number of workweeks worked during the PAGA Period. The class list information shall be used by the Settlement Administrator solely for the purpose of administering the settlement. The class list information shall be kept confidential by the Settlement Administrator and none of its contents shall be disclosed, shared with, or communicated to Class Counsel.
- B. Within seven (7) calendar days of receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Class Members; (ii) update the addresses of any Class Member for whom an updated address was found through the NCOA search; and (iii) mail the Class Notice to each Class Member in English and Spanish at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. The Settlement Administrator shall use its best professional efforts, including utilizing a "skip trace," to track any Class Member's Class Notice returned as undeliverable, and will re-send the Class Notice promptly upon identifying updated mailing addresses through such efforts. 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 Class Member immediately, and in any event within three (3) 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 Class Member.
- D. **Opt-Out/Request for Exclusion Procedures.** Any Class Member who wishes to optout of the Settlement must complete and mail a Request for Exclusion to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Class Notice (the "**Response Deadline**").
 - i. The Request for Exclusion must: (1) contain the name, address, and telephone number of the Class Member; (2) contain a statement that the Class Member wishes to be excluded from the settlement; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion fails to comply with these four items, it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion not containing a Class Member's telephone number still will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

Any Class Member who requests to be excluded from the settlement 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, intervene, appeal, or comment thereon. Any Class Member who does not submit a Request for Exclusion is automatically deemed a Settlement Class Member. A Class Member who submits a valid Request for Exclusion will not participate in or be bound by the settlement and the judgment, except that a Class Member who also qualifies as an Aggrieved Employee will still be paid their individual share of the PAGA Amount and will remain bound by the release of the Released PAGA Claims regardless of their Request for Exclusion and/or whether they cash their check for their Participating Member Payment.

- E. **Objections.** Class Members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall send all objections as received to Class Counsel and Defendant's counsel). Class Counsel shall file any objections received from the Settlement Administrator. Defendant's counsel and Class Counsel shall file responses to any objections no later than the deadline to file the Motion for Final Approval, unless filed within ten (10) calendar days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) calendar days to file their response. To be valid, any objection must: (1) contain the objecting Class Member's full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked on or before the Response Deadline.
- F. Challenges to Participating Member Payment Calculations. Each Class Notice mailed to a Class Member shall disclose the amount of the Class Member's number of workweeks worked during the Class Period and the PAGA Period, if applicable. Class Members will have the opportunity, should they disagree with Defendant's records regarding the number of estimated workweeks stated in their Class Notice to challenge the data provided. In order to challenge Defendant's data, the Class Member must provide documentation and/or an explanation demonstrating that Defendant's data is incorrect and evidencing the correct number of workweeks worked during the Class Period and/or PAGA Period that the Class Member believes they should have been credited with and/or evidence of the correct date their employment started and ended. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) calendar days of receipt.
- G. **Dispute Resolution.** The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of a Class Member's Participating Member Payment, the allocation of W-2 wages, and the number of workweeks worked during the Class Period and/or PAGA Period. Where the

information submitted by Defendant from its records differs from the information submitted by the Class Member, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and defense counsel to discuss and resolve the dispute. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for and amount of any Participating Member Payment. Such determination shall be binding upon the Class Member and the Parties.

6. Final Approval Process.

- A. Following preliminary approval and the close of Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:
 - i. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
 - ii. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the PAGA Payment; and
 - iii. Entering judgment pursuant to California Rule of Court 3.769.
- B. If final approval is granted, Plaintiff shall submit a copy of the Superior Court's judgment to the LWDA after entry of the judgment or order, pursuant to Labor Code § 2699(1)(3).
- C. Class Counsel will prepare and file the final approval motion papers, but will send the final approval motion papers to Defendant's counsel for their review, comment, and approval at least two weeks prior to their filing. Defendant's counsel will prepare the proposed order granting final approval and judgment.
- D. Upon the Effective Date, each Participating Member shall be deemed to have fully, finally, and forever released the Released Parties from the Released Class Claims through the end of the Class Period, and each Aggrieved Employee shall be deemed to have fully, finally, and forever released the Released Parties from the Released PAGA Claims through the end of the PAGA Period. These releases will take effect whether or not a Participating Member cashes or deposits any check for their Participating Member Payment.
- E. Also upon the Effective Date, Plaintiff shall be deemed to have fully, finally, and forever released the Released Parties from all of the Released Class Claims, Released PAGA Claims, and General Released Claims through the date the Court orders final approval.
- F. Plaintiff and Defendant intend that the settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim, arbitration, demand, or other action of any kind, by each and all

of the Participating Members (and by each and all of the Aggrieved Employees as to the Released PAGA Claims) to obtain a recovery based on, arising out of, and/or related to any and all of the Released Class Claims. Class Members shall be so notified in the Class Notice. This paragraph does not apply to any Class Member who timely and validly opts out of the settlement.

- 7. Participating Member Payment Procedures. Class Members are not required to submit a claim form to receive their share of the settlement ("Participating Member Payment"). As to a Class Member who opts out of the settlement by submitting a valid Request for Exclusion, the Class Member's Participating Member Payment will not be paid to the Class Member and will be added to the Net Settlement Amount and re-distributed among Settlement Class Members. Participating Member Payments will be determined and paid as follows:
 - A. Net Settlement Amount: The Net Settlement Amount or "NSA" is the amount available for distribution to Participating Members after the following deductions are made from the Maximum Settlement Amount: (a) all costs of settlement administration; (b) Enhancement Payment to Plaintiff; (c) the LWDA Payment; and (d) costs and attorneys' fees for Class Counsel. From the Net Settlement Amount, the Settlement Administrator will calculate each Participating Member Payment based on the following formula:
 - i. <u>PAGA Amount</u>. Each Aggrieved Employee shall receive a portion of the Five Thousand Dollars (\$5,000.00) that has been designated as the PAGA Amount based on their proportionate share of workweeks worked during the PAGA Period, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's workweeks worked during the PAGA Period, and the denominator of which is the total workweeks worked during the PAGA Period for all Aggrieved Employees. A workweek for purposes of this calculation is any calendar week in which an Aggrieved Employee worked at least one shift for FSS at Fresno Yosemite International Airport during the PAGA Period.
 - ii. Remainder. The remainder of the Net Settlement Amount shall be distributed to each Settlement Class Member based on their proportionate share 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 workweeks worked during the Class Period, and the denominator of which is the total workweeks worked for all Settlement Class Members during the Class Period. A workweek for purposes of this calculation is any calendar week in which a Settlement Class Member worked at least one shift for FSS at Fresno Yosemite International Airport during the Class Period.
 - B. Participating Member Payment Tax Treatment. The Parties recognize that the Participating Member Payments to be paid to Participating Members reflect settlement of a bona fide dispute over claimed wages, statutory and civil penalties, and other alleged damages. For purposes of calculating applicable taxes and withholdings for the

Participating Member Payments described in Paragraph 4(A)(ii), twenty-five percent (25%) of each such payment shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining seventy-five percent (75%) of each such payment shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Additionally, 100% of the PAGA Amount paid to Aggrieved Employees shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of these payments to each Participating Member above, none of the Participating Member Payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans. Participating Members will be responsible for paying all other local, state, and federal taxes due on their Participating Member Payments. Other than as set forth above, the Settlement Administrator will not make any deductions, withholdings, or additional payments, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions or matching employer contributions, wage garnishments to extent permitted by law, or charity withholdings, from or with respect to the Participating Member Payments, and entry of the Order of final approval by the Court shall be deemed authority not to make any such deductions, withholdings, or additional payments.

C. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS PARAGRAPH, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE

TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

- D. Deadline to Negotiate Participating Member Payment. Each Participating Member who receives a Participating Member Payment must negotiate the settlement check within one hundred eighty (180) calendar days from the date of issuance. The Class Notice will inform Class Members that they will have one hundred eighty (180) calendar days in which to cash their settlement check if they choose to participate in the settlement. Any funds payable to Settlement Class Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued except for good cause and as mutually agreed by the Parties in writing. If a Participating Member does not cash his or her settlement check within one hundred eighty (180) calendar days, the uncashed funds, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, et. seq. for the benefit of those Participating Members. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Members, whether or not they cash their settlement checks. Participating Members who fail to cash their check within one hundred eighty (180) calendar days will still be bound by the settlement, including the releases of the Released Class Claims and Released PAGA Claims.
- E. 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 his, her, or its own acts of omission or commission; the same is true for the Settlement Administrator.
- 8. Non-Admission. Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Lawsuit. There has been no determination by any agency or court as to the merits of the claims asserted by Plaintiff against Defendant. Defendant contends that but for this settlement, a class should not be certified in this Lawsuit. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendant. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement.
- 9. <u>Amendments or Modifications</u>. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties or their representatives, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

- 10. **Right to Void.** The Parties shall not encourage anyone to opt out of the Settlement. If 15 or more Class Members timely submit Requests for Exclusion, Defendant shall have the right (but not the obligation) to void this settlement. Defendant must exercise this right to void the settlement, if at all, within 10 calendar days before the final approval hearing. The Parties shall not encourage anyone to opt-out of the Settlement. If Defendant exercises this right and if any settlement administration costs are due and payable, Defendant agrees that it will be solely responsible for paying the outstanding settlement administration costs. Defendant shall also have the right (but not the obligation) to void this settlement if: (a) the settlement is construed in such a way that Defendant is required to pay more than the Maximum Settlement Amount (except for the employer's share of payroll taxes (Paragraph 3(E)) and subject to the escalator clause, (Paragraph 3(F)); (c) the Court does not approve the settlement releasing the claims set forth in this Settlement Agreement; or (d) Plaintiff or Class Counsel materially breach this Settlement Agreement.
- 11. If an order by the Court or in any appellate proceeding results in an order materially modifying, setting aside, or vacating any portion of the Settlement Agreement, with the exception of any modification of the amount of attorneys' fees or costs to be paid to Class Counsel, the amount of the Enhancement Payment paid to Plaintiff, and/or the Settlement Administrator's fees and costs, any Party adversely impacted by the order shall have the right, at its sole discretion, to treat such order as an event voiding the Settlement Agreement and preventing final approval. To exercise this right, the Party must inform the other Party and the Settlement Administrator, in writing, of the exercise of this right, within ten (10) business days of receiving notice of any order meeting the conditions set forth above. Before either Party elects to exercise its right to treat such order as an event permanently preventing final approval, that Party must meet and confer in good faith with the other Party to determine if an agreement can be reached modifying this settlement to the mutual satisfaction of the Parties along with any necessary court approval.
- 12. <u>Confidentiality</u>. Plaintiff and Class Counsel will strictly maintain the confidentiality of the fact and terms of the settlement except as to enforce this Settlement Agreement or communicate with Class Members after preliminary approval. Class counsel shall not discuss, promote, and/or advertise the fact and/or terms of the settlement. At any time, Plaintiff and Class Counsel agree not to respond to any press inquiries, except to refer the inquirer to the filed Settlement Agreement. Class Counsel can discuss the settlement with Class Members that contact Class Counsel's office about the settlement.
- 13. <u>Notices</u>. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses of the Parties' representatives set forth below, or such other addresses as the Parties may designate in writing from time to time:

if to Defendant FSS: Kathy H. Gao, Esq.

MORGAN, LEWIS & BOCKIUS LLP

300 South Grand Avenue, Twenty-Second Floor

Los Angeles, CA 90071 kathy.gao@morganlewis.com

if to Plaintiff: Daniel J. Brown, Esq.

STANSBURY BROWN LAW, PC

2610 1/2 Abbot Kinney Blvd.

Venice, CA 90291

dbrown@stansburybrownlaw.com

- 14. Representation of No Pending Matters. Plaintiff represents that she has not brought, participated in, or encouraged the bringing of any claims by any of Defendant's current or former employees against Defendant or any of the Released Parties that are not covered by the releases herein. Plaintiff represents that she has not heretofore assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein of any claims covered by Plaintiff's release of the Released Class Claims, Released PAGA Claims, and/or General Released Claims. Class Counsel represents that they do not currently represent any person or persons who have filed any other pending claims, complaints, or grievances against Defendant and/or the Released Parties. Class Counsel also represents that Class Counsel has not used any information obtained from the settlement to solicit or assist any other persons or attorneys to commence a claim or proceeding against Defendant and/or the Released Parties.
- 15. 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. In the event that any Party shall move to enforce the provisions of this Settlement Agreement, the prevailing party shall be entitled to recover her or its expenses, including reasonable attorneys' fees, in addition to any other relief to which the Party is found entitled.
- 16. <u>Severability</u>. If any provision of this Settlement Agreement or the application thereof is held invalid, such invalidation shall not affect other provisions or applications of this Settlement Agreement (except as otherwise expressly provided herein) and to this end, the provisions of this Settlement Agreement are declared to be severable (except as otherwise provided).
- 17. <u>Feasibility</u>. Because the members of the Class are so numerous, the Parties agree that it is impossible or impractical to have each Class Member sign this Settlement Agreement. It is agreed that, for purposes of seeking approval of this class and representative action settlement, this Settlement Agreement may be executed on behalf of Class Members by Class Counsel.
- 18. **<u>Drafting.</u>** This Settlement Agreement shall be construed and interpreted as if all of its language were prepared jointly by the Parties. No language in this Settlement Agreement shall be construed against a Party on the ground that such Party drafted or proposed that language.

- 19. <u>Counterparts</u>. 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.
- 20. Failure to Obtain Preliminary Approval or Final Approval. If the Court fails to grant either preliminary approval or final approval, or the Effective Date does not happen, the Parties' agreement to class certification as part of the settlement shall become null and void *ab initio* and shall have no bearing on and shall not be admissible in connection with the issue of whether or not class certification and/or representative treatment would be appropriate in a non-settlement context. Defendant expressly reserves its rights and declares that it will continue to oppose class certification and representative treatment and seek to enforce its arbitration agreement and litigate the substantive merits of the case should the Court fail to enter an Order granting final approval or the Effective Date does not happen. If any Settlement Administration fees and costs are due and payable, Plaintiff and Defendant agree to split those costs evenly (50% from Plaintiff; 50% from FSS).
- 21. <u>Parties' Authority</u>. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]
[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

Date: 3/31/2023	DocuSigned by:
	Mayra Corina Gonzalez, Plaintiff
Date:	
	, on behalf of Flight Services & Systems, Inc.
Approved as to form:	
Date:	MORGAN, LEWIS & BOCKIUS LLP
	Kathy H. Gao Counsel for Defendant Flight Services & Systems, Inc.
Date: March 31, 2023	STANSBURY BROWN LAW, PC
	Daniel J. Brown Counsel for Plaintiff and the Class

EXECUTION BY PARTIES AND COUNSEL

Date:	
Date:March 31, 2023 2:25 PM PDT	Mayra Corina Gonzalez, Plaintiff Docusigned by: Tonya Holt Tony
Approved as to form:	
Date:3/31/2023	MORGAN, LEWIS & BOCKIUS LLP
	Kathy H. Gao Counsel for Defendant Flight Services & Systems, Inc.
Date:	STANSBURY BROWN LAW, PC
	Daniel J. Brown Counsel for Plaintiff and the Class

NOTICE OF PENDENCY OF CLASS AND PAGA REPRESENTATIVE ACTION AND PROPOSED SETTLEMENT

Mayra Corina Gonzalez v. Flight Services & Systems, Inc. Fresno County Superior Court Case No.: 22CECG03200

To: All current and former non-exempt employees of Defendant Flight Services & Systems, Inc. who worked for Defendant at Fresno Yosemite International Airport at any time during the period of February 3, 2018 through August 31, 2022 ("Class Members").

PLEASE READ CAREFULLY YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

Why should you read this notice?

The Court has granted preliminary approval of a proposed settlement in the matter of *Mayra Corina Gonzalez v. Flight Services & Systems, Inc.*, Fresno County Superior Court, Case No. 22CECG03200 (the "Lawsuit"). Because your rights may be affected by the settlement, it is important that you read this notice carefully.

You may be entitled to money from this settlement. Defendant Flight Services & Systems, Inc.'s ("FSS" or "Defendant") records show that you were employed by FSS as a non-exempt employee in California between February 3, 2018 and August 31, 2022 (the "Class Period"). The Court ordered that this notice be sent to you because you may be entitled to money under the settlement and because the settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, inform you of the terms of the settlement, describe your rights in connection with the settlement, and explain what steps you may take to participate in, object to, or exclude yourself from the settlement. If you do not exclude yourself from the settlement and the Court finally approves the settlement, you will be bound to the terms of the settlement and any judgment.

What is this lawsuit about?

Plaintiff Mayra Corina Gonzalez ("Plaintiff") brought this Lawsuit against FSS seeking to assert claims on behalf of all current and former non-exempt employees who worked for FSS at Fresno Yosemite International Airport during the Class Period. Plaintiff is known as the "Class Representative" and her attorneys, who also represent the interests of all Class Members, are known as "Class Counsel."

The Lawsuit alleges that Defendant: (i) failed to pay employees all earned wages including minimum and overtime wages; (ii) failed to provide all legally required meal and rest periods; (iii) failed to reimburse necessary business expenses; (iv) failed to provide accurate and itemized wage statements; (v) failed to timely pay all wages due or final wages due upon separation of employment; and (vi) engaged in unlawful business practices as a result of the abovementioned alleged violations. The Lawsuit further alleges that Defendant is also liable for civil penalties under the California Labor Code Private Attorneys General Act ("PAGA").

Defendant denies the allegations in the Lawsuit and is prepared to defend the action vigorously. Defendant also denies that it is liable to Class Members for any wages, restitution, statutory or civil penalties, damages, or any other remedies. Accordingly, the settlement is a compromise of disputed claims and should not be considered an admission of liability on the part of Defendant.

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

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

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

Who are the attorneys?

www.morganlewis.com

Attorneys for Defendant Flight Services & Systems, Inc.

MORGAN, LEWIS & BOCKIUS LLP

Kathy H. Gao kathy.gao@morganlewis.com 300 South Grand Avenue, Twenty-Second Floor Tel: (213) 612-2500 Attorneys for the Plaintiff and the Class:

STANSBURY BROWN LAW, PC

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

What are the terms of the settlement?

Defendant agrees to pay \$750,000.00 (the "Maximum Settlement Amount") to fully resolve the Lawsuit, including payments to Class Members who do not opt-out of the settlement ("Settlement Class Members") as described below, employees entitled to a portion of the PAGA Amount ("Aggrieved Employees"), the California Labor & Workforce Development Agency ("LWDA"), Class Counsel's attorneys' fees and expenses, the Settlement Administration costs, and the Class Representative's Enhancement Payment.

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

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Maximum Settlement Amount. Class Members and are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to one-third of the Maximum Settlement Amount, which is currently estimated at \$250,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through settlement finalization. Class Counsel also will ask for reimbursement of up to \$20,000.00 in verified costs incurred in connection with the Lawsuit.

<u>Settlement Administration Costs.</u> The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this notice to you and will perform many other duties relating to the settlement. The Court has approved setting aside up to \$8,000.00, from the Maximum Settlement Amount to pay the Settlement Administration costs. Additionally, the Settlement Administrator will calculate Defendant's share of the payroll taxes that will be paid in addition to the Maximum Settlement Amount.

<u>Class Representative's Enhancement Payment.</u> Class Counsel will ask the Court to award the Class Representative an Enhancement Payment in the amount of \$5,000.00 to compensate her for her service and extra work provided on behalf of the Class Members.

<u>Payment to State of California.</u> The Parties have agreed to allocate \$20,000.00 toward PAGA civil penalties in connection with the PAGA claims in the Lawsuit. \$15,000.00 will be paid to the LWDA representing its 75% share of the PAGA civil penalties ("LWDA Payment"). The remaining \$5,000.00 ("PAGA Amount") will be

allocated pro-rata to all current and former non-exempt employees who worked for FSS at Fresno Yosemite International Airport at any time during the period of February 3, 2021 through August 31, 2022, (the "PAGA Period") (collectively, "Aggrieved Employees").

<u>Calculation of Participating Member Payments</u>. After deducting the Court-approved amounts above, the balance of the Maximum Settlement Amount will form the "Net Settlement Amount," which will be distributed to all Settlement Class Members (collectively "Participating Members"). The Net Settlement Amount is estimated at approximately \$452,000.00, and will be divided as follows:

- (i) PAGA Amount. Each Aggrieved Employee shall receive a portion of the \$5,000.00 that has been designated as the PAGA Amount based on their proportionate share of workweeks worked during the PAGA Period, by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's workweeks worked during the PAGA Period, and the denominator of which is the total workweeks worked during the PAGA Period for all Aggrieved Employees. A workweek for purposes of this calculation is any calendar week in which an Aggrieved Employee worked at least one shift for FSS at Fresno Yosemite International Airport during the PAGA Period.
- (ii) The remainder of the Net Settlement Amount shall be distributed to each Settlement Class Member based on their proportionate share 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 workweeks worked during the Class Period, and the denominator of which is the total workweeks workedfor all Settlement Class Members during the Class Period. A workweek for purposes of this calculation is any calendar weekin which a Settlement Class Member worked at least one shift performing work for FSS at Fresno Yosemite International Airport during the Class Period.

Payment of the Settlement. If the Court grants final approval of the settlement, Participating Member Payments will be mailed to all Aggrieved Employees for their portion of the PAGA Amount regardless of whether they submit a Request for Exclusion and/or whether they cash their check for their Participating Member Payment. In addition, Settlement Class Members will receive additional compensation as part of their Participating Member Payment comprised of their portion of the Net Settlement Amount as described above. Settlement Class Members will be bound by the settlement, if approved, regardless of whether they cash their check for their Participating Member Payment.

Allocation and Taxes. For tax purposes, each Participating Member Payment shall be treated as follows: 25% as wages subject to payroll withholdings and deductions, for which an IRS Form W-2 will be issued; and 75% as penalties and interest with no withholdings, for which an IRS Form 1099 will be issued. For Aggrieved Employees who opt out of the class portion of the settlement to which they would otherwise be entitled, and receive only their portion of the PAGA Amount, 100% of their portion of the PAGA Amount shall be treated as penalties with no withholdings, for which an IRS Form 1099 will be issued. Participating Members are responsible for the proper income tax treatment of the Participating Member Payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Participating Members should consult with their tax advisors concerning the tax consequences and treatment of awards they receive under the settlement.

<u>Released Parties</u>. Released Parties means: Defendant Flight Services & Systems, Inc. and all its affiliated parties and entities, including its past and present affiliates, parents, subsidiaries, predecessors, owners, successors, shareholders, divisions, and each of these entities' past and present directors, officers, managing agents, employees, partners, benefit plans, shareholders and representatives.

Released Class Claims. All Settlement Class Members will release the Released Parties from any and all wage and hour and/or wage payment claims, obligations, demands, actions, rights, causes of action, and liabilities (including state statutory and common law claims) that accrued or arose during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the operative FAC and/or Plaintiff's PAGA Letter, including: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods; (d) failure to provide rest periods; (e) failure to reimburse for necessary business expenses; (f) failure to provide accurate,

itemized wage statements; (g) failure to pay final wages and/or waiting time penalties; (h) unfair competition; (i) failure to timely pay wages; (j) all other claims that are or were asserted or that could have been asserted based on the facts alleged in the FAC and/or Plaintiff's PAGA letter to the LWDA; and (k) penalties (including civil, statutory, and/or wage penalties, based on the underlying Labor Code violations), liquidated damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, or additional damages which allegedly arise from the claims described in (a) through (k) above under any applicable law. This release specifically includes the following statutory claims: any and all claims that were pled or that could have been pled based on the facts alleged in the FAC and/or Plaintiff's PAGA Letter to the LWDA arising under the California Labor Code, including, §§ 201-204, 210, 226, 226.7, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2698 et seq., 2699 et seq., 2802, 2804, California Business & Professions Code §§ 17200, et seq., and Wage Order No. 9 §§ 3, 4, 5(A), 7, 11, 12 (collectively, "Released Class Claims"). The release extends to the limits of the Class Period.

Released PAGA Claims. All Aggrieved Employees will release the Released Parties from any and all claims for PAGA civil penalties that accrued or arose during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the operative FAC and/or Plaintiff's PAGA Letter, including: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods; (d) failure to provide rest periods; (e) failure to reimburse for necessary business expenses; (f) failure to provide accurate, itemized wage statements; (g) failure to pay final wages and/or waiting time penalties; and, (h) failure to timely pay wages. This release specifically includes claims for civil penalties under the PAGA that were pled or that could have been pled based on the facts alleged in the FAC and/or Plaintiff's PAGA Letter arising under California Labor Code sections §§ 201-204, 210, 226, 226.7, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2698 et seq., 2699 et seq., 2802, 2804, and Wage Order No. 9 §§ 3, 4, 5(A), 7, 11, 12 (collectively, "Released PAGA Claims"). The release extends to the limits of the PAGA Period.

<u>Conditions of Settlement.</u> The settlement is conditioned upon the Court entering an order at or following the final approval hearing finally approving the settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class Members, and the entry of a judgment.

How can I claim money from the settlement?

<u>Do Nothing</u>. If you do nothing, you will be entitled to your share of the settlement based on the proportionate number of workweeks worked during the Class Period and, if applicable, the proportionate number of workweeks worked during the PAGA Period. You also will be bound by the settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in This Notice. Your Participating Member Payment is based on the proportionate number of workweeks you worked during the Class Period and, if applicable, the proportionate number of workweeks you worked during the PAGA Period. The information contained in Defendant's records regarding these factors is listed below. If you disagree with the information listed below, you may submit a dispute and provide documentation and/or an explanation demonstrating that Defendant's records are incorrect and evidencing the correct number of workweeks worked during the Class Period and, if applicable, during the PAGA Period that you believe you should be credited with and/or evidence of the correct date your employment with Defendant started and ended. Your dispute and supporting documentation should be sent to <ADMINISTRATOR CONTACT INFO>>. Any disputes, along with supporting documentation, must be postmarked no later than <RESPONSE DEADLINE>>. DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

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

According to Defendant's records:

- (a) you worked for FSS at Fresno Yosemite International Airport from approximately to approximately ;
- **(b)** you worked approximately workweeks during the Class Period; and

(c) you worked ____ approximately workweeks during the PAGA Period.

Exclude Yourself from the Class Portion of the Settlement. If you **do not** wish to participate in the settlement, you may exclude yourself from the class portion of the settlement by submitting a Request for Exclusion and sending it to the Settlement Administrator postmarked no later than <-RESPONSE DEADLINE>>. The Request for Exclusion must: (1) contain your name, address, and telephone

number; (2) contain a statement that you wish to be excluded from the settlement; (3) be signed by you; and (4) be postmarked by the <= RESPONSE DEADLINE and mailed to the Settlement Administrator at <= ADMINISTRATOR CONTACT INFO. If the Request for Exclusion fails to comply with these four items, it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion not containing your telephone number still will be deemed valid.

Any Class Member who requests to be excluded from the settlement 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, intervene, appeal, or comment thereon. Any Class Member who does not submit a Request for Exclusion is automatically deemed a Settlement Class Member. A Class Member who submits a valid Request for Exclusion will not participate in or be bound by the settlement and the judgment, except that a Class Member who also qualifies as an Aggrieved Employee will still be paid their individual share of the PAGA Amount and will remain bound by the release of the Released PAGA Claims regardless of their Request for Exclusion and/or whether they cash their check for their Participating Member Payment.

Objecting to the Settlement. You also have the right to object to the terms of the settlement. However, if the Court rejects your objection, you will still be bound by the terms of the settlement. If you do not request exclusion from the settlement and wish to object to the settlement, or any portion of it, you may submit a written objection directly to the Settlement Administrator by mail or fax at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection must: (1) contain your full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked on or before the <<RESPONSE DEADLINE>>.

You may also object by appearing at the final approval hearing scheduled for <FINAL APPROVAL HEARING DATE/TIME>> in Department 503 of the Fresno County Superior Court, located at 1330 O Street, Fresno, California 93721. You have the right to appear either in person or through your own attorney (at your own expense) at this hearing, although you do not need to appear at the final approval hearing for your objection to be considered. All objections or other correspondence must state the name and number of the case, which is *Mayra Corina Gonzalez v. Flight Services & Systems, Inc.*, Fresno County Superior Court, Case No. 22CECG03200.

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

What is the next step?

The Court will hold a final approval hearing on the adequacy, reasonableness, and fairness of the settlement on <<FINAL APPROVAL HEARING DATE/TIME>, in Department 503 of the Fresno County Superior Court, located at 1330 O Street, Fresno, California 93721. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, Settlement Administration costs, and the Class Representatives' Enhancement Payment. You are moit required to attend the final approval hearing, although any Class Member is welcome to attend the hearing.

How can I get additional information?

This notice is only a summary of the Lawsuit and the settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Fresno County Superior Court, located at 1330 O Street, Fresno, California 93721, during regular court hours. You may also view the case file online at https://publicportal.fresno.courts.ca.gov selecting "Smart Search," and entering the case number information. This case is assigned to Department 503 of the Fresno County Superior Court, located at 1330 O Street, Fresno, California 93721. The Settlement Agreement is attached as Exhibit A to the Declaration of Daniel J. Brown in Support of

Plaintiff's Motion for Preliminary Approval of Class Action Settlement, filed on <><SDATE PRELIMINARY APPROVAL MOTION FILED>>>. You may also contact the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>> for more information. The Settlement Administrator also established a webpage at: <<INSERT ADMINISTRATOR WEBSITE>>>, which includes links to the Settlement Agreement, FAC, Preliminary Approval Order, and for which any judgment in this Lawsuit will be posted.

$\frac{\text{PLEASE DO NOT CALL OR WRITE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE}{\text{SETTLEMENT PROCESS}}$

IF YOU MOVE ADDRESSES PRIOR TO RECEIVING PAYMENT UNDER THE TERMS OF THIS SETTLEMENT,
PLEASE PROVIDE THE SETTLEMENT ADMINISTRATOR WITH YOUR NEW ADDRESS TO ENSURE YOU
RECEIVE YOUR PARTICIPATING MEMBER PAYMENT



Daniel Brown dbrown@stansburybrownlaw.com

Thank you for your Proposed Settlement Submission

1 message

DIR PAGA Unit wdadonotreply@dir.ca.gov>To: dbrown@stansburybrownlaw.com

Sat, Apr 8, 2023 at 5:38 PM

04/08/2023 05:37:50 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm



Bennett Berger



6121 Brentway Rd. Frisco, TX 75034 • Phone: 818-635-6613 • E-Mail: BergerBennett@gmail.com

Experience

Partner / Senior Data Analyst - Berger Consulting Group

June 2013 - Current

- Analyze small and large data sets for wage and hour class action lawsuits. Review data for patterns; group data using Pivot Tables
 and other complex equations in Excel to help identify relationships between sets of data.
- Use Excel extensively to write equations and macros to aid in quantitative damage models. Worked on over 1,750 wage and hour
 cases since 2013 in industries such as retail, healthcare, logistics, finance, hospitality, technology, and manufacturing.
- Perform data conversion using multiple commercial OCR software programs to transform small to large volumes of PDF images into searchable text format.
- Write case analysis summaries, detailed reports and declarations explaining the data and exposure models.
- Provide expert testimony of my findings.

Co-Founder / President - SD3D

January 2013 - Current

- Extensive 3D printing knowledge of mechanics and materials as well as 3D design and 3D scanning. Robust knowledge of 3D printing file preparation software.
- Build Excel spreadsheets for cost analysis of 3D printing versus other manufacturing methods.
- Design the sales and marketing material for the business, along with developing the overall brand and sales strategies.
- Responsible for SD3D's finances, financial projections and investor relations.

Account Executive - Corporate Strategies Inc.

December 2011 - January 2013

- Market and analyze employee benefits for small group clients.
- Compose spreadsheets comparing current verses renewal and proposed insurance plans.
- Execute daily HR tasks for groups- enrollments, terminations, coverage changes, order ID cards, etc.
- Communicate to business owners as well as employees about their plan benefits and cost comparisons.
- Prepare proposals for individual health insurance clients.
- Organize current life insurance summaries and formulate new products ideas and changes.

Education

University of California, Santa Cruz

September 2007 - March 2011

Bachelors of Arts in Business Management Economics

Computer Skills

-Excel, PowerPoint, Word, Outlook, Omnipage PDF converter, ABBYY FineReader PDF converter, Adobe Acrobat Pro

Expert Testimony

Berger Consulting Group

- Sanchez v ARB, Inc. Case No. 30-2016-00837130-CU-OE-CXC Deposition March 31, 2021
- Feltzs v Cox Communications Case No. 8:19-CV-02002-JVS-JDE Deposition March 5, 2021
- Libreros v LLR, Inc dba Lularoe Case No. RIC1714426 Deposition January 15, 2021
- Hankey v The Home Depot USA Case No. 2:19-cv-00413-JAM-CKD Deposition November 13, 2020
- Mkhitarian v Bank of the West, Case No. BC691989 Deposition September 17, 2020
- Santos v United Parcel Services, Inc. Case No. 3:18-cv-03177-EMC Deposition September 1, 2020
- Cessna v Southern California Edison Company Case No. BC689081 Deposition July 29, 2020
- Gamboa v PAFCO Case No. CIVDS1605273 Deposition July 18, 2019
- Fuller v TWC Case No. 3:17-cv-01513-DMS-AGS Deposition June 20, 2019
- Avila v Simply Right Case No. BC538100 Deposition October 16, 2018
- Pineda v Lithographix Case No. BC612372 Deposition February 9, 2018
- Cacho v Eurostar Case No. BC558689 Deposition February 17, 2017
- Barajas v WHM Case No. BC491045 Deposition November 28, 2016