

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO

Ricardo Aguilar, et al. v. Precision Hermetic Technology, Inc.

Case Nos. CIVSB2128517/CIVSB2203535

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation.

This is not a lawsuit against you, and you are not being sued.

However, your legal rights are affected by whether you act or don't act.

TO: All individuals currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as a non-exempt hourly-paid employee within the State of California during the time period from April 9, 2017, through July 17, 2022.

The Superior Court of California, County of San Bernardino, granted preliminary approval to a proposed settlement ("Settlement") of the above-captioned actions ("Class Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All individuals currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as a non-exempt hourly-paid employee within the State of California during the time period from April 9, 2017, through July 17, 2022.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

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1. Why Have I Received This Notice?

The personnel records of Precision Hermetic Technology, Inc. ("Defendant") indicate that you may be a Class Member. The Settlement will resolve all Class Members' Released Claims, as described below, from April 9, 2017, through July 17, 2022 (the "Class Period").

Preliminary Approval was granted on December 6, 2022, in the Superior Court of California, County of San Bernardino. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court determined only there is sufficient evidence to suggest the proposed settlement might be fair, adequate, and reasonable, and any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed settlement on April 3, 2023, at 10:00 a.m., before Honorable David Cohn in the Superior Court of California, County of San Bernadino, located at 247 West 3rd Street, San Bernardino, California 92415, Department S-26.

2. *What Is This Case About?*

The actions entitled *Ricardo Aguilar, et al. v. Precision Hermetic Technology, Inc.* and *Adrian De La Torre, et al. v. Precision Hermetic Technology, Inc.* were commenced by Plaintiffs Ricardo Aguilar and Adrian De La Torre (“Plaintiffs,” “Plaintiff Aguilar,” and “Plaintiff De La Torre”) in the San Bernardino County Superior Court (Case Numbers CIVSB2128517 and CIVSB2203535) as a class action and representative action under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) respectively. Both cases were consolidated for purposes of this settlement.

Plaintiffs’ action against Defendant sought damages, restitution, penalties, interests, costs and attorney’s fees and other relief based on the following alleged causes of action: (1) failure to pay overtime; (2) failure to provide meal period premiums; (3) failure to provide rest breaks; (4) failure to pay minimum wages; (5) final wages not timely paid; (6) failure to comply with itemized employee wage statement provisions; (7) unreimbursed business expenses; (8) violations of PAGA; and (9) violation of the Unfair Competition Law.

The Court has not made any determination as to whether the claims advanced by Plaintiffs have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiffs or Defendant. Instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial.

Defendant expressly denies it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiffs or to the Class.

3. *Am I A Class Member?*

You are a Class Member if you are or were employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as a non-exempt hourly-paid employee within the State of California during the time period from April 9, 2017, through July 17, 2022.

4. *How Does This Class Action Settlement Work?*

In this Action, Plaintiffs sued on behalf of themselves and all individuals currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, or professional employer organization, as a non-exempt hourly-paid employee within the State of California during the time period from April 9, 2017, through July 17, 2022. Plaintiffs and these other current and former employees comprise a “Class” and are “Class Members.” The settlement of this Action resolves the Released Claims of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiffs and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you a free copy.

5. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiffs and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION Douglas Han Shunt Tatavos-Gharajeh John M. Bickford 751 N. Fair Oaks Avenue, Suite 101 Pasadena, California 91103 Telephone: (818) 230-7502 Facsimile: (818) 230-7259	FISHER & PHILLIPS LLP Christine D. Baran Victor T. Xu 2050 Main Street, Suite 1000 Irvine, California 92614 Telephone: (949) 851-2424 Facsimile: (949) 851-0152

The Court has decided Justice Law Corporation is qualified to represent you and all other Class Members simultaneously. Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

6. *What Are My Options?*

The purpose of this Notice is to inform you of the proposed Settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you will become part of this lawsuit and will receive an Individual Settlement Share based on the total number of workweeks you were employed as a non-exempt hourly worker in California during the Class Period. You will release all the Released Claims, as defined in Section No. 9 below, and you will give up your right to pursue the Released Claims, as defined in Section No. 9 below.
- **OPT OUT:** If you do not want to participate as a Class Member, you may “opt out,” which will remove you from the Class and this Action. If the Court grants final approval of the Settlement, you will not receive an Individual Settlement Share and you will not give up the right to sue the Released Parties, including Defendant, for any the Released Claims as defined in Section No. 9 below.

You do not have the right to request exclusion from, or opt out of, the PAGA portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will mail you your Individual PAGA Payment check, and you will give up the right to sue the Released Parties, including Defendant, for the PAGA Released Claims as defined in Section No. 9 below. Eligible Aggrieved Employees who opt out of the class portion of the proposed Settlement will still be mailed their individual PAGA Payment checks and will not have the right to sue the Released Parties for the PAGA Released Claims.
- **OBJECT:** You may mail a legal objection to the proposed Settlement. If you would like to object, you may not opt out of this Settlement.

The procedures for opting out and objecting are set forth below in the sections entitled “How Do I Opt Out or Exclude Myself From This Settlement” and “How Do I Object To The Settlement?”

7. How Do I Opt Out Or Exclude Myself From This Settlement?

If you do not wish to participate in the Settlement, you may be excluded from the Settlement (*i.e.*, “opt out”) by sending a timely an opt out form. A form (“ELECTION NOT TO PARTICIPATE IN (‘OPT OUT’ FORM) CLASS ACTION SETTLEMENT”) (“Exclusion Form”) has been provided to you along with this Notice. Alternatively, you can submit your own written document that includes this same information. If you opt out of the Settlement, you will not be releasing the claims set forth in Section No. 9. The Exclusion Form must be signed, dated, and mailed by First Class U.S. Mail, **postmarked no later than February 24, 2023 to: Ricardo Aguilar, et al. v. Precision Hermetic Technology, Inc. C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, P.O. Box 7208, Orange, CA 92863.** You cannot exclude yourself by phone.

Eligible Aggrieved Employees May Not Opt Out of the PAGA portion of the Settlement. Notwithstanding the foregoing, you do not have the right to opt out or otherwise exclude yourself from the PAGA portion of the Settlement, which releases the PAGA Released Claims, described in sections I(EE) and III(M) of the Settlement. If you submit a valid and timely request for exclusion, you will still receive your share of the PAGA Payment and will release the PAGA Released Claims.

If you received a remailed Notice, whether by skip-trace or forwarded mail, your Response Deadline to postmark an Exclusion Form, or mail and serve an objection to the Settlement will be extended by ten (10) calendar days from the original Response Deadline. We encourage you to keep copies of all documents, including the envelope, in the event the deadline is challenged.

The Court will exclude any Class Member who submits a complete and timely Exclusion Form as described in the paragraph above. Exclusion Forms that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Any Class Member who fails to submit a valid and timely Exclusion Form on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any judgment entered in the Action if the Settlement receives final approval from the Court.

You are responsible for ensuring the Settlement Administrator receives any request for exclusion you submit.

8. *How Do I Object To The Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by mailing it to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863 by February 24, 2023. The Notice of Objection must state: (1) the objecting person's full name, address, telephone number and last four digits of the objecting person's social security number and the name and address of counsel, if any; (2) state the words "Notice of Objection" or "Formal Objection;" (3) state in clear and concise terms, describe the legal and factual arguments supporting the objection; (4) list identifying witness(es) the objector may call to testify at the Final Approval hearing; (5) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing; (6) be signed by the objecting Class Member or his or her attorney; and (7) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing.

Class Members may appear at the Final Approval Hearing, either in person or through the objector's own counsel and orally object to the Settlement. Class Members' timely and valid objections to the Settlement will still be considered even if the objector does not appear at the Final Approval Hearing. Class Members who fail to object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. Again, to be valid and effective, any objections must be mailed to the Settlement Administrator postmarked on or before February 24, 2023.

If the Court rejects the Notice of Objection, the Class Member will receive an Individual Settlement Share and will be bound by the terms of the Settlement.

9. *How Does This Settlement Affect My Rights? What are the Released Claims?*

If the proposed Settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will fully release and discharge Defendant, and its past, present, and future subsidiaries, dba's, affiliates, PEOs, staffing agencies, parents, predecessors, successors, divisions, joint ventures, investors and assigns and their respective past or present officers, directors, shareholders, partners, servants, employees, attorneys, personal or legal representatives, agents, assigns, members, investors, principals, independent contractors, heirs, representatives, accountants, auditors, consultants, insurers, co-insurers, and reinsurers ("Released Parties").

Released Claims:

Upon the Effective Final Settlement Date and Defendant's fulfillment of their payment obligations under section III (K)(9)(a) of the Settlement, the claims Plaintiffs and the other Participating Class Members are releasing in exchange for the consideration provided for by the Settlement are all claims asserted against the Released Parties in the Class Action that arise out of the facts asserted in the Class Action, or that could have been asserted against the Released parties in the Class Action, as follows:

For the duration of the Class Period, the release includes: (1) all claims for unpaid wages, including minimum wages, regular wages, overtime and double time wages, and improper calculation of overtime and double time wages; (2) all claims for failure to provide compliant meal and rest periods and associated compensation and/or premium pay; (3) all claims for reporting time pay and/or on-call pay; (4) all claims for failure to timely pay wages during employment, upon termination or resignation and/or separation pay; (5) all claims for non-compliant wage statements; (6) all claims for failure to furnish employees with legally compliant documents to obtain or hold employment; (7) all claims for failure to provide reimbursement for necessary work-related expenses; (8) all claims for failure to maintain and produce accurate payroll and employment records; (9) all claims asserted through Business & Professions Code sections 17200, *et seq.*, arising out of the Labor Code violations referenced in the Class Action ("Class Released Claims").

For Eligible Aggrieved Employees, the release includes, for the duration of the PAGA Timeframe, all claims for civil penalties for the Class Released Claims as well as claims for civil penalties under PAGA arising out of Labor Code sections 210, 226.3, 558, 1197.1, and 2699 based on the factual allegations and Labor Code sections alleged or that could have been alleged to have been violated in both the Class Action and Plaintiffs' letter to the California Labor and Workforce Development Agency ("LWDA"), including, without limitation to Labor Code sections 200, 201, , 201.3, 201.5, 201.6, 201.8, 201.9, 202, 203, 204, 205.5, 210, 218.5, 221, 226, 226.3, 226.7, 246, 404, 432, 432.5, 510, 512, 551, 552, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2800, 2802, 2810.5, and the IWC Wage Orders ("PAGA Released Claims"). The release also includes a release from the State of California (to the extent Plaintiffs are permitted to provide such a release for the state of California for the PAGA Timeframe) of all PAGA claims alleged in the Class Action and the letter sent by Plaintiffs to the LWDA which occurred during the PAGA Timeframe.

10. How Much Can I Expect to Receive From This Settlement?

The total maximum amount that Defendant could be required to pay under the Settlement shall be up to but no more than \$304,884 ("Gross Settlement Amount").

The "Net Settlement Amount" means the portion of the Gross Settlement Amount available for distribution to Class Members after the deduction of: the (1) Class Representative Enhancement Payments of \$10,000 to each Plaintiff for the prosecution of this matter, risks undertaken for the payment of attorneys' fees and costs, and a general release of all claims; (2) Administration Costs to the Settlement Administrator, Phoenix Class Action Administration Solutions, currently estimated at \$7,500 but it is not to exceed \$10,000; (3) PAGA Payment of \$20,000, seventy-five percent (75%) of which (\$15,000) shall be paid to the LWDA, and twenty-five percent (25%) of which (\$5,000) shall be part of the Net Settlement Amount distributed to Eligible Aggrieved Employees, on a pro rata basis; (4) Attorney Fee Award to Class Counsel of \$101,628 (one-third of the Gross Settlement Amount); (5) Cost Award to Class Counsel not to exceed \$15,000 for litigation costs and expenses; and (6) credit of \$5,600 paid in releases to twenty-three (23) Class Members. All these payments are subject to court approval.

After deducting the above-referenced items, the remaining Net Settlement Amount, will be proportionately distributed among all Class Members who have not opted out. The Settlement Administrator will calculate the individual settlement shares for Participating Class Members. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to: (1) the number of weeks he or she worked during the Class Period based on the Class data provided by Defendant, divided by (2) the total number of weeks worked by any and all Participating Class Members collectively, during the Class Period based on the same Class data, which is then multiplied by the Net Settlement Amount.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: \$ _____, less taxes. This is based on Defendant's records which show you worked ____ workweeks during the Class Period.

If you believe the number of eligible workweeks records are incorrect, you must provide documentation and/or an explanation to show contrary information to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863 on or before February 24, 2023. If you do not provide any documents supporting your dispute, the number of workweeks reported in Defendant's records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. Any evidence submitted will be reviewed and the Class Counsel and Counsel for Defendant will make a final determination.

Each Participating Class Member's Individual Settlement Share will be apportioned as follows: twenty percent (20%) wages and eighty percent (80%) interest, penalties, and reimbursement. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The amounts paid as interest, penalties, and reimbursement shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

No later than twenty-one (21) days of the Effective Final Settlement Date, Defendant or its designee shall deposit the Gross Settlement Amount and any employer's share of payroll taxes needed to complete payment of the entire Gross Settlement Amount by wiring the funds into a Qualified Settlement Fund set up and controlled by the Settlement Administrator. Within fourteen (14) calendar days after the funding of the Settlement, the Settlement Administrator shall calculate and pay all payments due under the Settlement, including your Individual Settlement Share. The funding and distribution dates may change depending on the Court's approval process and timing.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amount of the Individual Settlement Share to the California State Controller's Office in the name of the Class Member/Eligible Aggrieved Employee.

11. What is PAGA and Am I Eligible for It?

Under the terms of the settlement, \$20,000 has been set aside as a PAGA payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Seventy-five percent (75%) of the PAGA Payment (\$15,000) will be sent to the State of California while Eligible Aggrieved Employees will share twenty-five percent (25%) of the PAGA Payment (\$5,000) based on the number of pay periods they worked.

You are an Eligible Aggrieved Employee who is eligible to share the PAGA Payment under the Settlement if you are an individual employed as a non-exempt hourly worker by Defendant within the State of California from December 10, 2020 through July 17, 2022 (“PAGA Timeframe”).

The Settlement Administrator shall pay each Eligible Aggrieved Employee according to their proportional share, which will be based upon the total number of pay periods he or she was employed during the PAGA Timeframe. The individual share will be calculated by determining the total number of pay periods the Eligible Aggrieved Employees were employed during the PAGA Timeframe (*i.e.*, the sum of all pay periods of employment for each eligible aggrieved employee) and dividing that number into the \$5,000 amount allocated to Eligible Aggrieved Employees to determine the monetary value assigned to each pay period. That number will then be multiplied by the individual eligible aggrieved employee’s total number of pay periods employed during the PAGA Timeframe to determine that individual’s proportional share.

Based on your total number of pay periods, your estimated Individual Settlement Share for the PAGA Payment is \$ _____. Eligible Aggrieved Employees’ portion of the PAGA Payment will be allocated as penalties and will be issued an IRS form 1099 if it exceeds \$600. You are responsible for paying any federal, state, or local taxes owed because of this payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the settlement if the Court gives final approval.

If you are not an Eligible Aggrieved Employee, this Section does not apply to you.

12. How Will the Attorneys for the Class and the Class Representative Be Paid?

Class Counsel and the Class will be paid from the Gross Settlement Amount. Subject to Court approval, Class Counsel and the Class shall be paid an amount not to exceed one-third (1/3) of the Gross Settlement Amount (or \$101,628) as the Attorney Fee Award and up to \$15,000 as the Cost Award for litigation costs and expenses.

Defendant has paid all its own attorneys’ fees and costs.

As set forth in Section No. 10 above, the Plaintiffs will also be paid a Class Representative Enhancement Payments, subject to Court approval.

13. Final Approval Hearing

The Court will hold a Final Approval Hearing concerning the proposed settlement on April 3, 2023 at 10:00 a.m., before Honorable David Cohn in the Superior Court of California, County of San Bernardino, located at 247 West 3rd Street, San Bernardino, California 92415, Department S-26. You are not required to appear at this hearing. Any changes to the hearing date will be available on the Settlement Administrator’s website <https://www.phoenixclassaction.com/aguilar-v-precision-hermetic-technology/>

This Notice does not contain all the terms of the Settlement or all the details of these proceedings. For more information, you may refer to the underlying documents and papers on file with the San Bernardino County Superior Court at 247 West 3rd Street, San Bernardino, California 92415 between 8:30 a.m. and 4:00 p.m.

You may contact Class Counsel by visiting Justice Law Corporation at 751 North Fair Oaks Avenue, Suite 101, Pasadena, California 91103 during regular business hours, from 9:00 a.m. to 6:00 p.m., or by calling (818) 230-7502. Class Counsel will provide you with free electronic copy of the Settlement documents or case documents.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number listed below, toll-free. Please refer to the “Precision Hermetic Technology, Inc. class action settlement.”

PLEASE DO NOT TELEPHONE THE COURT OR COURT’S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.