SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES

BELIA RAMIREZ, as an individual and on behalf of all others similarly situated,

Plaintiff.

VS.

RUBBERCRAFT CORPORATION OF CALIFORNIA, LTD., a California Limited Liability Company; and DOES 1 through 100,

Defendants.

Case No. 20STCV11935

NOTICE OF CLASS ACTION SETTLEMENT

To: All current and former non-exempt employees who performed work for Defendant Rubbercraft Corporation of California, LTD. ("Rubbercraft") in the State of California during the time period of March 25, 2016 through April 1, 2021.

PLEASE READ THIS NOTICE 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 class action settlement (the "Settlement") in *Belia Ramirez v. Rubbercraft Corporation of California, Ltd.*, Los Angeles County Superior Court, Case No. 20STCV11935 (the "Lawsuit"). Your rights may be affected by the Settlement, and it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Rubbercraft's records show that you were employed by Rubbercraft as a non-exempt employee in California between March 25, 2016 and April 1, 2021 (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, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to 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 by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Belia Ramirez ("Plaintiff") brought this lawsuit against Rubbercraft, asserting claims on behalf of all Settlement Class Members. Plaintiff is known as the "Class Representative," and her attorneys, who also represent the interests of all Settlement Class Members, are known as "Class Counsel."

In the Lawsuit, Plaintiff alleges that Rubbercraft: (1) failed to pay all minimum wages; (2) failed to pay all overtime wages; (3) failed to provide all lawful meal periods; (4) failed to authorize and permit all lawful rest periods; (5) failed to maintain accurate records and issue accurate, itemized wage statements; (6) failed to timely pay all final wages at separation; (7) engaged in unfair unlawful business practices; and (8) is liable for civil penalties under the Private Attorneys General Act ("PAGA").

Rubbercraft denies that it has done anything wrong. Rubbercraft denies that it owes Settlement Class Members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Rubbercraft, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with business operations, the parties concluded that it is in Rubbercraft's best interests and the interests of Settlement Class Members to settle the Lawsuit on the terms summarized in this Notice. After Rubbercraft provided relevant information to Class Counsel, the Settlement was reached after mediation and arms'-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Rubbercraft, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by Rubbercraft, your decision about whether to participate in the Settlement will not affect your employment. California law and Rubbercraft's policy strictly prohibit unlawful retaliation. Rubbercraft will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of his or her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiff / Settlement Class Members:

HAINES LAW GROUP, APC

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Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com Attorneys for Rubbercraft:

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What are the terms of the Settlement?

On April 17, 2023, the Court preliminarily certified a class – for settlement purposes only – of all current and former non-exempt employees who worked for Rubbercraft in California during the Class Period. Settlement Class Members who do not submit a valid and timely Request for Exclusion from the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Rubbercraft, as described below in the "Release" section.

Rubbercraft agreed to pay \$600,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Lawsuit, including payments to Settlement Class Members, attorneys' fees and expenses, settlement administration costs, payment to the California Labor and Workforce Development Agency ("LWDA") for its share of PAGA civil penalties, and the Class Representative Enhancement Payment. The following deductions from the Gross Settlement Amount will be requested by the parties:

<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 who will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$8,850.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement 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 Gross Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Maximum Settlement Fund (which is currently estimated to be \$200,000.00) 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 \$25,000.00 for verified costs which were incurred by Class Counsel in connection with the Lawsuit.

<u>Class Representative Enhancement Payment</u>. Class Counsel will ask the Court to award \$5,000.00 to Plaintiff as a Class Representative Enhancement Payment. This is meant to compensate Plaintiff for her service and extra work provided on behalf of the Settlement Class Members.

<u>PAGA Payment to the State of California</u>. The parties have agreed to allocate \$40,000.00 of the Maximum Settlement Amount as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties (\$30,000.00) will be payable to the LWDA for its share of PAGA penalties, and the remaining 25% (\$10,000.00) will be payable to the Settlement Class in addition to Net Settlement Amount.

<u>Calculation of Settlement Class Members' Settlement Awards</u>. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class Members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount will be divided as follows:

- (i) <u>Wage Statement</u>: Ten percent (10%) of the Net Settlement Amount shall be designated as the "Wage Statement Amount." Each participating Settlement Class Member who was employed by Rubbercraft at any time between March 25, 2019 to April 1, 2021 shall receive a portion of the Wage Statement Amount proportionate to the number of workweeks that he or she worked during the aforementioned time period.
- (ii) <u>Waiting Time Amount</u>: Five percent (5%) of the Net Settlement Amount shall be designated as the "Waiting Time Amount." The Waiting Time Amount shall be distributed in equal, pro-rata shares to each participating Settlement Class Member who separated their employment from Rubbercraft at any time between March 25, 2017 and April 1, 2021.
- (iii) The remainder of the Net Settlement Amount will be distributed to each participating Settlement Class Member based on their proportionate number of workweeks worked during the Class Period, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Settlement Class Member's total workweeks worked during the Class Period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class Members during the Class Period.

<u>Payment from PAGA Amount</u>: In addition to the Net Settlement Amount, \$10,000.00 of the Gross Settlement Amount has been designated as the "PAGA Amount" as described above, and will be allocated to all Settlement Class members who worked for Rubbercraft in California at any time from March 30, 2019 to April 1, 2021 (the "PAGA Period"), in proportion to the number of pay periods that each Settlement Class member worked for Rubbercraft in California during that time period.

Settlement Awards to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to Settlement Class Members who did not submit a valid and timely Request for Exclusion. Each participating Settlement Class Member who receives a Settlement Award must cash that check within 180 calendar days from the date the Settlement Administrator mails it. Any funds payable to participating Settlement Class Members whose checks are not cashed within 180 calendar days after mailing will be distributed by the Settlement Administrator to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq., in the name of the Settlement Class Member to whom the check was issued until such a time that they claim their property.

Allocation and Taxes. For tax purposes, each Settlement Award will be allocated as 85% penalties and interest issued pursuant to an IRS Form 1099; and 15% as wages issued pursuant to an IRS Form W-2. Settlement Class Members are responsible for the proper income tax treatment of the Settlement Awards. The Settlement Administrator, Rubbercraft and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, each Settlement Class Member who does not opt-out will release and discharge Defendant and any of its former or present parents, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors including but not limited to Sanders Industries Holdings, Inc. dba Integrated Polymer Solutions, Integrated Polymer Group, SI Holdings, Inc., SI Intermediate Holding, Inc., Sanders Composites, Inc., MAST Technologies LLC, International Rubber Products, Inc. (NV), Arcline Engineered Polymer Holdco LLC, Arcline Engineered Polymer Midco LLC, Arcline Engineered Polymer Topco L.P, Swift Textile Metalizing LLC, Seal Science, Inc., Arcline Engineered Polymer Holdco LLC, Arcline Engineered Polymer Midco LLC, Arcline Engineered Polymer Topco L.P, Swift Textile Metalizing LLC, Seal Science, Inc.,; Arcline Engineered Polymer Topco GP LLC; Swiftex, LLC; SHS 16, LLC; Advanced Defense Solutions Technologies, LLC; Viking Rubber Products, Inc. dba IRP Medical; Wagner Rubber Products, Inc. dba Abba Roller; Mikron Rubber Products Corp. dba MikronPMP Aerospace; Precision Molded Products; S.P.A.R.E.S.; Mikron PMP, LLC dba MikronPMP Aerospace; KDL Precision Molding, Inc.; Northern Engineering UK Limited; Northern Engineering (Sheffield) Limited; Crosslink Technology Holdings Limited; Icon Aerospace Technology Limited; Arcline Capital Partners L.P.; Arcline Capital Partners A L.P. Arcline Capital Partners Associates LP and all agents, employees, officers, directors, members, managers, holding companies, insurers, and attorneys thereof, (collectively, the "Released Parties") from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action, and liabilities, including costs, expenses, penalties, and attorneys' fees, in law or equity, that Plaintiff and/or any member of the Settlement Class, had, now has, or hereafter can have which are based on the factual allegations asserted in the Action or any claims that could have been asserted in the Action based on the facts alleged in the Second Amended Complaint, including but not limited to any common law, California wage order, and statutory claims for meal and rest breaks, unpaid wages, including minimum wages, regular wages, overtime and double time wages, wage statement violations, separation pay violations, unfair business practices ("Released Claims"). In addition, all Settlement Class members (whether or not they opt out) who worked for Rubbercraft in California at any point during the PAGA Period will release Released Parties from any and all claims under the PAGA premised on the facts and/or allegations alleged in Plaintiff's PAGA letter dated March 30, 2020 that arose during the time period of March 30, 2019 through April 1, 2021 (the "PAGA Released Claims").

<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 Judgment.

How can I claim money from the Settlement?

<u>Do Nothing</u>. If you do nothing, you will be entitled to your Settlement Award which has been calculated for you based on the formula set forth above, as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

<u>Dispute Information in Notice of Settlement Award.</u> Your award is based on the proportionate number of workweeks that you worked during the relevant time periods and whether your employment separated during the relevant time period. The information contained in Rubbercraft's records regarding this information, along with your estimated Settlement Award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than July 3, 2023. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. Should a consensus not be reached, any outstanding disputes will be submitted to the Court for a final determination.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Class Settlement, you may exclude yourself by sending to the Settlement Administrator an executed Request for Exclusion Form no later than July 3, 2023, with your name, address, telephone number, last four digits of your social security number, and your signature. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion directly to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, shall be barred from participating in the Class Settlement, and shall receive no benefits from the Class Settlement. However, to the extent you are eligible to receive a portion of the PAGA Amount, you will still receive that amount whether or not you submit a Request for Exclusion. This is because, if the Court approves the PAGA Settlement, there is no right to be excluded from the PAGA Release that is part of this Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Class Settlement.

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 wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. All objections or other correspondence must state the name and number of the case, which is *Belia Ramirez v. Rubbercraft Corporation of California, Ltd.*, Los Angeles County Superior Court, Case No. 20STCV11935.

You may also appear at the Final Approval Hearing scheduled for September 14, 2023 at 10:00 a.m. in Department SSC-14 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012. The location, date, and time of the Final Approval Hearing may be moved without further notice to you. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing, if you wish to appear in person. You have the right to appear either in person or through your own attorney at this hearing, whether or not you submit a written objection. If you object to the Settlement, you will remain a member of the Settlement Class, 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 September 14, 2023 at 10:00 a.m., in Department SSC-14 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012. If the location, date, and/or time of the Final Approval Hearing is moved, notice will be posted https://www.phoenixclassaction.com/ramirez-v-rubbercraft-corp/. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the Enhancement Payment to the Class Representative, the Settlement Administrator's costs, and the amount related to the PAGA civil penalties. You are not required to attend the Final Approval 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 Clerk's Office at the Stanley Mosk Courthouse, located at 111 N. Hill Street, Los Angeles, California 90012, during regular business hours. You may also contact Class Counsel using the contact information listed above for more information or you may contact the administrator at (800) 523-5773.

In light of the COVID-19 pandemic, the Los Angeles County Superior Court has implemented certain protocols that may impact your ability to review the Court's files in person. As of the date of this mailing, you will be required to make an appointment with the Clerk's Office prior to accessing the Court's files. Current information regarding how to make an appointment with the Clerk's Office, as well as additional rules, regulations, and safety protocols, can be viewed on the Court's website, at www.lacourt.org.

You may also view the Settlement Agreement and Second Amended Complaint at https://www.phoenixclassaction.com/ramirez-v-rubbercraft-corp/.

<u>PLEASE DO NOT CALL OR WRITE THE COURT, RUBBERCRAFT, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS</u>

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is July 3, 2023.