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17 GENERAL ATOMICS and GENERAL ATOMICS
AERONAUTICAL SYSTEMS, INC.

18 SUPERIOR COURT OF THE STATE OF CALIFORNIA

19 COUNTY OF SAN DIEGO

20 MELISSA WEISMAN, individually, and on
21 behalf of other members of the general public
22 similarly situated,

23 Plaintiff,

24 v.

25 GENERAL ATOMICS, a California
corporation; GENERAL ATOMICS
26 AERONAUTICAL SYSTEMS, INC., a
California corporation; and DOES 1-100,
27 inclusive,

28 Defendants.

Case No. 37-2021-00000331-CU-OE-CTL

**SETTLEMENT OF CLASS ACTION
AND PAGA REPRESENTATIVE
ACTION**

Judge: Hon. Katherine Bacal
Dept.: C-69

Complaint Filed: January 5, 2021
FAC Filed: July 22, 2021
Trial Date: None Set

1 This Settlement is made and entered into, as of the date set forth below, between Plaintiffs
2 Melissa Weisman and Scott Athey, as individuals and as representatives of the proposed Class
3 described herein, and Athey as PAGA representative for the State of California (collectively,
4 “Plaintiffs”), and Defendants General Atomics and General Atomics Aeronautical Systems, Inc.
5 (collectively, “Defendants”) who are parties to the above-captioned litigation and/or the related
6 PAGA Action filed by Athey (together, the “Parties”).¹

7 **1. THE CONDITIONAL NATURE OF THIS SETTLEMENT**

8 1.1 This Settlement and all associated exhibits or attachments are made for the sole
9 purpose of settling the Action. This Settlement is made in compromise of disputed claims.
10 Because this Action is being settled as a class and representative action, this Settlement must
11 receive preliminary and final approval by the Court. Accordingly, the Parties enter into this
12 Settlement on a conditional basis. If the Court does not enter the Order of Final Approval, the
13 proposed Judgment does not become a Final Judgment for any reason, and/or the Effective Date
14 does not occur, this Settlement shall be deemed null and void *ab initio*; it shall be of no force or
15 effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the
16 negotiation, terms and entry of the Settlement and associated pleadings shall remain subject to the
17 provisions of California Evidence Code sections 1119 and 1152, Federal Rule of Evidence 408,
18 and any other analogous rules of evidence that are applicable.

19 1.2 Defendants deny all claims as to liability, damages, penalties, interest, fees,
20 restitution, injunctive relief and all other forms of relief, as well as deny the class and
21 representative action allegations asserted in the *Weisman* lawsuit and the PAGA Action, as those
22 terms are defined below. Defendants have agreed to resolve the *Weisman* lawsuit and the PAGA
23 Action via this Settlement, but to the extent this Settlement is deemed void or the Effective Date
24 does not occur, Defendants do not waive, but rather expressly reserve, all rights to challenge all
25 such claims and allegations in the *Weisman* lawsuit and the PAGA Action upon all procedural,
26

27 ¹ As provided herein, Weisman will amend the First Amended Complaint to add Athey as a
28 named representative and to add the PAGA claims and alleged Labor Code violations asserted in
the related PAGA Action. Athey will dismiss the PAGA Action without prejudice, so that only
the above-captioned *Weisman* litigation remains and proceeds for approval by the Court.

1 merit, and factual grounds, including, without limitation, the ability to challenge class and
2 representative action treatment on any grounds, as well as asserting any and all other privileges
3 and potential defenses. Plaintiffs and Class Counsel (as defined below) agree that Defendants
4 retain and reserve these rights, and Plaintiffs and Class Counsel agree not to argue or present any
5 argument, and hereby waive any argument, that based on this Settlement, Defendants cannot
6 contest class certification or representative action treatment on any grounds whatsoever or assert
7 any and all other privileges or potential defenses if the *Weisman* lawsuit and the PAGA Action
8 were to proceed.

9 **2. DEFINITIONS**

10 The following terms, when used in this Settlement, shall have the following meanings:

11 2.1 “Action” means the action currently entitled, *Melissa Weisman, individually, and*
12 *on behalf of other members of the general public similarly situated v. General Atomics, et al.*, San
13 Diego Superior Court Case No. 37-2021-00000331-CU-OE-CTL, that will be amended to include
14 Scott Athey as a named plaintiff and include the PAGA claims alleged by Athey in the PAGA
15 Action and will be reflected in the Operative Complaint.

16 2.2 “Class” or “Class Members” means all current and former non-exempt employees
17 of General Atomics who performed work for any of the General Atomics Releasees within the
18 State of California at any time during the Class Period.

19 2.3 “Class Counsel” means the attorneys of Justice Law Corporation.

20 2.4 “Class Period” means the time period from July 11, 2016, through January 16,
21 2023.

22 2.5 “Class Representatives” or “Plaintiffs” means Plaintiffs Melissa Weisman and
23 Scott Athey.

24 2.6 “Class Representatives’ Released Claims” means any and all claims, obligations,
25 demands, actions, rights, causes of action, and liabilities against the General Atomics Releasees,
26 of whatever kind and nature, character, and description, whether in law or equity, whether
27 sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common
28 law, or other source of law or contract, whether known or unknown, and whether anticipated or

1 unanticipated, including all unknown claims covered by California Civil Code Section 1542, as
2 quoted below, by the Class Representatives, arising at any time up to and including the date on
3 which the Court enters the Order of Final Approval, for any type of relief, including without
4 limitation claims for wages, premium and other forms of pay, unpaid/unreimbursed costs,
5 penalties (including waiting time penalties), general damages, compensatory damages, liquidated
6 damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses,
7 restitution, and equitable and declaratory relief. The Class Representatives' Released Claims also
8 include, but are not limited to, the Released Class Claims and the Released PAGA Claims as well
9 as any other claims under any provision of the Fair Labor Standards Act, the California Labor
10 Code², any applicable California Industrial Welfare Commission Wage Orders, any city or county
11 Living Wage Ordinances, and claims under state or federal discrimination statutes, including,
12 without limitation, the California Government Code; the Unruh Civil Rights Act, California Civil
13 Code; the California Constitution; the California Business and Professions Code, including but
14 not limited to Sections 17200 *et seq.*; the United States Constitution; the Age Discrimination in
15 Employment Act and the Older Workers Benefit Protection Act; the Uniformed Services
16 Employment and Reemployment Rights Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C.
17 § 2000 *et seq.*; the Civil Rights Act of 1991; the Family and Medical Leave Act, to the extent not
18 prohibited by law; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee
19 Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; the Equal Pay Act; the Fair
20 Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Worker
21 Adjustment and Retraining Notification Act; the Sarbanes-Oxley Act of 2002; the California
22 Family Rights Act; and all of their implementing regulations and interpretive guidelines; any and
23 all claims for monetary recovery and personal or individual relief, except as prohibited by law;
24 and any premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief,
25 declaratory relief, or accounting based on any of the foregoing claims. For the avoidance of
26 doubt, this is a complete and general release to the maximum extent permitted by law.

27 Notwithstanding the foregoing, the release of the Class Representatives' Released Claims do not

28 ² References to the "Labor Code" herein shall be to the California Labor Code.

1 include (i) any claim or right for workers' compensation benefits; or (ii) any claim or right that is
2 not waivable as a matter of law.

3 2.7 "Court" means the Superior Court of the State of California, County of San Diego.

4 2.8 "Database" shall mean the data file maintained by the Settlement Administrator in
5 electronic form, that will include a list of each Class Member, including each person's name, last
6 known address, social security number, and number of Eligible Workweeks and Eligible Pay
7 Periods.

8 2.9 "Defendants' Counsel" means the attorneys of Morgan, Lewis & Bockius LLP.

9 2.10 "Effective Date" means the date on which the Judgment becomes a Final
10 Judgment.

11 2.11 "Eligible Workweek" shall mean a week during the Class Period in which a Class
12 Member performed work within California.

13 2.12 "Eligible Pay Period" shall mean a pay period during the PAGA Period in which a
14 PAGA Member performed work within California.

15 2.13 "Final Approval Date" means the date on which the Court enters the Order of
16 Final Approval.

17 2.14 "Final Approval Hearing" means a hearing set by the Court, to take place on a date
18 established by the Court, for the purpose of (i) determining the fairness, adequacy, and
19 reasonableness of the Settlement pursuant to class action procedures and requirements;
20 (ii) determining the amount of the award of attorneys' fees and costs to Class Counsel;
21 (iii) determining the amounts of the Service Payments to the Class Representatives; and
22 (iv) entering the Judgment.

23 2.15 "Final Judgment" means the latest of the following dates: (i) if no Class Member
24 files an objection to the Settlement, then the date the Court enters the Judgment and an Order of
25 Final Approval of the Settlement; (ii) if a Class Member files an objection to the Settlement, then
26 after the applicable date for seeking appellate review of the Court's Order of Final Approval of
27 the Settlement has passed, assuming no appeal or request for review is filed; or (iii) if an appeal is
28 filed, the final resolution of that appeal (including any requests for rehearing and/or petitions for

1 writ of certiorari) resulting in the final judicial approval of the Settlement.

2 2.16 “General Atomics Releasees” means General Atomics, and all affiliated parties
3 and entities (including past and present affiliates, parents, subsidiaries, related entities, including,
4 but not limited to, General Atomics Aeronautical Systems, Inc., Diazyme Laboratories, Inc. and
5 General Atomics Systems Integration, LLC), and each of their respective predecessors, related
6 entities, owners, members, successors, shareholders, divisions, and each of these entities’
7 respective past and present directors, officers, employees, partners, shareholders, members and
8 representatives.

9 2.17 “Individual PAGA Payment” means the individual amounts paid from the PAGA
10 Payment to the individual PAGA Members for settlement of claims for civil penalties under
11 PAGA.

12 2.18 “Individual Settlement Payment” means the settlement amount due each
13 Settlement Class Member from the Settlement Pool.

14 2.19 “Judgment” means the judgment to be executed and filed by the Court pursuant to
15 this Settlement following the Final Approval Hearing. Notice of the Judgment will be given to
16 the Class via the Settlement Administrator’s website.

17 2.20 “LWDA” means the California Labor and Workforce Development Agency.

18 2.21 “LWDA Payment” means the payment to the LWDA from the PAGA Payment for
19 settlement of claims for civil penalties under PAGA.

20 2.22 “Maximum Settlement Amount” means the total maximum amount payable under
21 the terms of this Agreement by Defendant General Atomics, which is the gross sum of Seven
22 Million Five Hundred Thousand Dollars and Zero Cents (\$7,500,000.00), except that the
23 Maximum Settlement Amount shall not include the employer’s share of payroll taxes, which
24 Defendant General Atomics shall pay with respect to any amounts paid to Settlement Class
25 Members that are attributable to the resolution of wage claims as described herein. The
26 Maximum Settlement Amount shall be used to pay, as approved by the Court, Class Counsel’s
27 attorneys’ fees and costs, Service Payments to Class Representatives, Settlement Administration
28 Costs; and the PAGA Payment to the LWDA and the PAGA Members, and the Individual

1 Settlement Payments to the Settlement Class Members. The General Atomics Releasees shall not
2 be required to pay anything above or beyond the Maximum Settlement Amount, under any
3 circumstance, as a result of this Settlement, except Defendants’ obligation to pay the employer’s
4 share of payroll taxes with respect to the wage portions of Settlement Class Members’ Individual
5 Settlement Payments, and except as may be increased pursuant to the express terms of section
6 7.2.2.

7 2.23 “Notice of Class Action Settlement” means the document provided to Class
8 Members to notify them of the settlement, substantially in the form attached as **Exhibit 1**, subject
9 to Court approval.

10 2.24 “Operative Complaint” shall mean the proposed Second Amended Complaint,
11 attached hereto as **Exhibit 2**, which shall include Scott Athey as a named Plaintiff and include the
12 PAGA claims alleged in the PAGA Action.

13 2.25 “Order of Final Approval” means the order entered by the Court granting final
14 approval of the Parties’ Settlement and ordering the funding of the Maximum Settlement
15 Amount.

16 2.26 “PAGA Action” means the action entitled *Scott Athey, individually, and on behalf*
17 *of aggrieved employees pursuant to the Private Attorneys General Act (“PAGA”) v. General*
18 *Atomics, et al.*, San Diego Superior Court Case No. 37-2022-00020346-CU-OE-CTL.

19 2.27 “PAGA Members” means all current and former non-exempt employees of
20 General Atomics who performed work within California for any of the General Atomics
21 Releasees at any time during the PAGA Period.

22 2.28 “PAGA Payment” means the payment in settlement of all claims for PAGA
23 penalties, 75% of which will be distributed as the LWDA Payment to the LWDA and 25% of
24 which will be distributed as Individual PAGA Payments to the PAGA Members.

25 2.29 “PAGA Period” means the time period from July 11, 2020 through January 16,
26 2023.

27 2.30 “Parties” means Defendants and Plaintiffs collectively.

28 2.31 “Preliminary Approval Date” means the date the Court enters the Preliminary

1 Approval Order.

2 2.32 “Preliminary Approval Order” means the order from the Court granting
3 preliminary approval of the Settlement and providing for notice to the Class, an opportunity to opt
4 out of the Settlement Class, an opportunity to submit timely objections to the Settlement, and
5 setting the Final Approval Hearing.

6 2.33 “Qualified Settlement Fund” means the account or trust established by the
7 Settlement Administrator to handle and administer the funding and payments related to the
8 Settlement.

9 2.34 “Released Class Claims” shall mean all claims, rights, demands, liabilities, and
10 causes of action asserted in the Operative Complaint, all claims that could have been reasonably
11 asserted based on and/or related to the facts alleged in the Operative Complaint, the PAGA
12 Action, and ascertained in the course of the Action and the PAGA Action, including causes of
13 action for (a) unpaid overtime premiums under Labor Code §§ 510 and 1198; (b) unpaid meal
14 period premiums under Labor Code §§ 226.7 and 512(a) and the applicable California Industrial
15 Welfare Commission Wage Order; (c) unpaid rest period premiums under Labor Code § 226.7;
16 (d) unpaid minimum wages under Labor Code §§ 1194 and 1197; (e) failure to timely pay final
17 wages under Labor Code §§ 201, 202, and 203; (f) failure to maintain and provide accurate
18 itemized wage statements under Labor Code § 226, 226.2, and 226.3; (g) failure to reimburse
19 business expenses under Labor Code §§ 2800 and 2802; (h) failure to provide paid sick leave
20 under Labor Code § 246; (i) all claims for the alleged violation of California Business &
21 Professions Code §§ 17200, *et seq.*, based upon the alleged failure to pay overtime premiums,
22 provide compliant meal and rest breaks, failure to provide accurate and itemized wage statements,
23 failure to pay all wages, failure to timely pay wages, and/or failure to reimburse business
24 expenses; and (j) all claims for interest, penalties, attorneys’ fees, costs and any other monetary
25 relief based upon the claims described above and including, but not limited to, pursuant to Labor
26 Code §§210, 218.5, 218.6, Code of Civil Procedure §1021.5, and/or Civil Code §§ 3287(b) and
27 3289, costs, attorneys’ fees, injunctive relief, declaratory relief, or accounting that are based on or
28 related to the alleged Labor Code and Business & Professions Code violations referenced in sub-

1 sections (a) through (i) above, that accrued or accrue through the Class Period.

2 2.35 “Released PAGA Claims” means all claims for civil penalties under PAGA
3 asserted in the Operative Complaint, asserted in any PAGA letters sent by Plaintiff Athey to the
4 LWDA, and all claims that could have been reasonably alleged in the Operative Complaint and
5 the PAGA Action arising from and/or related to the same alleged facts alleged in the Operative
6 Complaint and/or the PAGA Action and ascertained in the course of the Action and PAGA
7 Action, during the PAGA Period including for (a) failure to pay minimum and overtime wages
8 under Labor Code §§ 510, 1194, 1197, and 1198; (b) failure to provide paid sick leave under
9 Labor Code § 246; (c) failure to provide meal periods and rest breaks and pay any associated
10 premiums due under Labor Code §§ 226.7 and 512; (d) failure to timely pay wages during
11 employment under Labor Code §§ 204 and 210; (e) failure to timely pay wages upon termination
12 under Labor Code §§ 201-203; (f) failure to provide complete and accurate wage statements
13 under Labor Code §§ 226, 226.3, and 1174; (g) failure to keep complete and accurate payroll
14 records under Labor Code § 1174; and (h) failure to reimburse all necessary business expenses
15 under Labor Code §§ 2800 and 2802.

16 2.36 “Service Payments” means the amounts approved by the Court to be paid to the
17 Class Representatives and payable from the Maximum Settlement Amount, in recognition of their
18 efforts in coming forward as Class Representatives and as consideration for a full, general, and
19 comprehensive release of the Class Representatives’ Released Claims, which shall be in addition
20 to their portion of the Settlement Pool.

21 2.37 “Settlement” shall mean this written Settlement, signed by the Class
22 Representatives, Defendants, and counsel for all of the Parties.

23 2.38 “Settlement Administration Costs” means the costs payable from the Maximum
24 Settlement Amount to the Settlement Administrator for administering this Settlement in
25 accordance with the Settlement Administrator’s responsibilities outlined in this Settlement
26 Agreement.

27 2.39 “Settlement Administrator” means CPT Group, Inc. who shall be responsible for
28 the administration of the Settlement, distribution of any amounts owed under this Settlement, and

1 matters necessarily related thereto, pursuant to the terms of this Settlement, and subject to
2 appointment by the Court.

3 2.40 “Settlement Class” or “Settlement Class Members” mean all Class Members who
4 do not timely submit a signed and valid Opt-Out Request to the Settlement Administrator.

5 2.41 “Settlement Pool” is the portion of the Maximum Settlement Amount available for
6 distribution to the Settlement Class, which shall equal the Maximum Settlement Amount minus
7 the PAGA Payment, Court-approved attorneys’ fees and costs, Settlement Administration Costs,
8 and the Court-approved Class Representative Service Payments.

9 **3. DESCRIPTION OF THE LITIGATION**

10 3.1 On January 5, 2021, Plaintiff Melissa Weisman filed a putative class action
11 complaint against Defendants in the California Superior Court, County of San Diego, captioned
12 *Melissa Weisman, individually, and on behalf of others similarly situated v. General Atomics, et*
13 *al.*, Case No. 37-2021-00000331-CU-OE-CTL. The *Weisman* lawsuit alleged claims for: (1)
14 unpaid overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums; (4) unpaid
15 minimum wages; (5) failure to timely pay all wages; (6) failure to provide accurate wage
16 statements; (7) failure to reimburse business expenses; and (8) unfair business practices in
17 violation of Business and Profession Code section 17200, *et seq.* Plaintiff Weisman brought the
18 *Weisman* lawsuit on behalf of a proposed class of all current and former California non-exempt
19 hourly employees of Defendants. On July 21, 2021, Plaintiff Weisman filed a First Amended
20 Complaint reasserting the same alleged wage and hour violations.

21 3.2 On May 27, 2022, Plaintiff Scott Athey filed a representative action complaint
22 against Defendants in the California Superior Court, County of San Diego, captioned *Scott Athey,*
23 *individually, and on behalf of aggrieved employees pursuant to the Private Attorneys General Act*
24 *(“PAGA”) v. General Atomics, et al.*, Case No. 37-2022-00020346-CU-OE-CTL. The PAGA
25 Action alleged on behalf of all current and former aggrieved California-based hourly non-exempt
26 employees of Defendants claims for civil penalties under PAGA for: (1) failure to pay minimum
27 and overtime wages; (2) failure to provide paid sick leave; (3) failure to provide meal periods and
28 rest breaks and pay any associated premiums; (4) failure to timely pay wages during employment

1 (5) failure to timely pay wages upon termination; (6) failure to provide complete and accurate
2 wage statements; (7) failure to keep complete and accurate payroll records; and (8) failure to
3 reimburse all necessary business expenses.

4 3.3 Through substantial and extensive formal and informal discovery, Defendants
5 provided Plaintiffs' counsel with company documents and records, data, and written policies
6 reflecting and relating to employees' time worked, rates of pay, workweeks, wages paid, and
7 meal and rest break premiums paid during the Class Period, among other records.

8 3.4 The Parties had numerous discussions and negotiations regarding the claims and
9 defenses in the cases. On November 16, 2022, the Parties attended a full-day mediation
10 conducted by an experienced wage and hour mediator, Jeff Ross, and eventually reached an
11 agreement on settlement. All of the terms of that settlement are contained within this Settlement.
12 At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at
13 arm's length.

14 3.5 Discussions between counsel for the Parties, formal and informal discovery, as
15 well as the respective investigation and evaluation of Plaintiffs' claims by the Parties, have
16 permitted each side to assess the relative merits of the claims and the defenses to those claims.
17 The Parties agree that the above-described investigation and evaluation, as well as informal
18 discovery and the information exchanged during the settlement negotiations, are sufficient to
19 assess the merits of the respective Parties' positions and to compromise the issues on a fair and
20 equitable basis.

21 4. **CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT**

22 4.1 The Parties enter into this Settlement on a conditional basis. This Settlement will
23 become final and effective only upon the occurrence of all of the following events:

24 4.1.1 Plaintiff Weisman will amend her currently pending First Amended
25 Complaint to include and add a cause of action for the alleged failure to provide paid sick leave
26 under Labor Code § 246, to include and add Plaintiff Scott Athey as a named Plaintiff, and to
27 include and add a PAGA cause of action asserting all of the allegations and Labor Code
28 violations in Plaintiff Athey's PAGA Complaint and LWDA letter, with this Second Amended

1 Complaint becoming the Operative Complaint that will be the pleading through which the Parties
2 effectuate the Settlement with the Court;

3 4.1.2 Plaintiff Athey will dismiss without prejudice the PAGA Action;

4 4.1.3 The Court enters the Preliminary Approval Order consistent with all of the
5 material terms of the Settlement;

6 4.1.4 The Court enters the Order of Final Approval consistent with all of the
7 material terms of the Settlement; and

8 4.1.5 The Effective Date occurs, and any challenge to the Settlement, whether by
9 objection or appeal, is resolved in favor of enforcement of the Settlement.

10 4.2 Unless the Court orders otherwise or as agreed to in writing by the Parties, this
11 Settlement shall be deemed null and void *ab initio* upon the failure of any one or more of the five
12 (5) conditions identified *supra* in Section 4.1 to occur.

13 5. **BENEFITS OF THE SETTLEMENT TO THE PARTIES**

14 5.1 Based on their own independent investigations and evaluations, Class Counsel is of
15 the opinion that the Settlement with Defendants for the consideration and terms set forth herein,
16 considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate
17 in light of all known facts and circumstances, and is in the best interests of the Class. Class Counsel
18 is also of the opinion that the total consideration and payment set forth in this Settlement is adequate
19 in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class
20 certification, that the PAGA claim could be deemed unmanageable, and the defenses that
21 Defendants have asserted and/or could assert as to the substantive merits of the claims.

22 5.2 Class Counsel has weighed the monetary benefit under the Settlement to the
23 Settlement Class against the expenses and length of continued proceedings that would be necessary
24 to prosecute the Action against Defendants through class certification, through manageability
25 motions, summary judgment, trial and possible appeals. Class Counsel has also taken into account
26 the uncertain outcome and risk of any litigation, especially in complex actions such as class and
27 representative actions, as well as the difficulties and delay inherent in such litigation. As a result,
28

1 Class Counsel has determined that the settlement set forth in this Settlement is in the best interests
2 of the Class.

3 **6. DEFENDANTS' POSITION**

4 6.1 Defendants and the General Atomics Releasees specifically and generally deny
5 any and all liability or wrongdoing of any sort with regard to the claims alleged, make no
6 concessions or admissions of liability of any sort, and contend that for any purpose other than
7 Settlement, the Action is not appropriate for class or representative action treatment.

8 Nonetheless, Defendants have concluded that further conduct of the Action would be protracted,
9 distracting and expensive, and that it is desirable that the Action be fully and finally settled in the
10 manner and upon the terms and conditions set forth in this Settlement. Defendants have also
11 taken into account the uncertainty and risks inherent in any litigation. Defendants have therefore
12 determined that it is desirable and beneficial to them to settle the Action in the manner and upon
13 the terms and conditions set forth in this Settlement.

14 6.2 Neither this Settlement, nor any document referred to in it, nor any actions taken
15 pursuant to this Settlement, is or should be construed as an admission by Defendants of any fault,
16 wrongdoing, or liability whatsoever. Nor should the Settlement be construed as an admission that
17 Plaintiffs could meet any of the class action requirements or that any PAGA claim would be
18 manageable. There has been no final determination by any court as to the merits of the claims
19 asserted by Plaintiffs against Defendants, as to whether a class action should be certified, or that
20 any PAGA claim is manageable.

21 6.3 Defendants have concluded that it is desirable that the Action be settled in a
22 manner and upon such terms and conditions set forth herein in order to avoid further expense,
23 inconvenience and distraction of further legal proceedings, and the risk of the outcome of the
24 Action. Therefore, Defendants have determined that it is desirable and beneficial to resolve the
25 claims in the Action.

26 **7. OPERATIVE TERMS OF SETTLEMENT**

27 The Parties agree as follows:

28 7.1 Conditional Class Certification

1 7.1.1 The Parties stipulate, for settlement purposes only, to the certification by the
2 Court of the Class.

3 7.1.2 If, for any reason, the Court does not approve this Settlement, fails to enter
4 the Judgment, or if this Settlement is terminated for any other reason, the Class will be decertified
5 and Defendants shall, and hereby do, retain the right to dispute the appropriateness of class
6 certification.

7 7.2 Maximum Settlement Amount

8 7.2.1 Defendants shall pay a non-reversionary amount not to exceed the
9 Maximum Settlement Amount to resolve the Action on a class and representative basis, subject to
10 section 7.2.2. The Maximum Settlement Amount shall be used to pay, as approved by the Court,
11 Class Counsel’s attorneys’ fees and costs, Service Payments to Plaintiffs, Settlement
12 Administration Costs; and the PAGA Payment to the LWDA and the PAGA Members, and the
13 Individual Settlement Payments to the Settlement Class Members. Notwithstanding the
14 foregoing, in addition to the Maximum Payment Amount, Defendants will pay the employer’s
15 share of payroll taxes, including FICA and FUTA, on the portion of each Individual Settlement
16 Payment allocated as unpaid wages.

17 7.2.2 This Settlement is based on an estimated count of approximately 1.4 million
18 workweeks by Settlement Class Members through November 16, 2022. If during the Class
19 Period the Settlement Class Members have collectively worked more than 1.54 million Eligible
20 Workweeks (*i.e.*, a more than 10% increase in the 1.4 million workweeks estimated at the time of
21 mediation), then the Maximum Settlement Amount will be increased in proportion to the Eligible
22 Workweeks greater than 1.54 Million in excess of the 10% (*e.g.*, if the Eligible Workweeks
23 increase by 12%, then the Maximum Settlement Amount shall increase by 2%), *or*, at
24 Defendants’ option, the Class Period and Class Release shall end as of the date the actual number
25 of Eligible Workweeks exceed 1.54 Million.

26 7.3 Class Representative Service Payments

27 7.3.1 The Class Representatives’ Service Payments, which are in addition to their
28 Individual Settlement Payments from the Settlement Pool and Individual PAGA Payments as

1 PAGA Members will, subject to Court approval, be paid out of the Maximum Settlement Amount
2 and will not exceed \$10,000 for Plaintiff Weisman and \$10,000 for Plaintiff Athey for their
3 services and assistance to the Class. For purposes of tax withholding, the Service Payments will
4 be reported on an IRS Form 1099. Class Representatives shall be solely and legally responsible
5 for paying any and all applicable taxes on their Service Payments and shall indemnify, defend,
6 and hold General Atomics Releasees harmless from any claim or liability for taxes, penalties or
7 interest arising as a result of the Service Payments. Any amount of the Class Representatives
8 Service Payments that is not awarded by the Court shall revert to the Settlement Pool.

9 7.4 Attorneys' Fees and Costs

10 7.4.1 Class Counsel shall apply to the Court for an award of reasonable attorneys'
11 fees not to exceed approximately one third of the Maximum Settlement Amount (\$2,500,00.00),
12 and will seek an award of costs for reimbursement of Class Counsel's out-of-pocket costs
13 incurred up to an additional \$25,000, to be paid out of the Maximum Settlement Amount.
14 Defendants will not oppose an application by Class Counsel in accordance with the terms of this
15 Settlement. The Settlement Administrator shall issue IRS Forms 1099 to Class Counsel for the
16 payments made pursuant to this section. Class Counsel shall be solely and legally responsible for
17 paying any and all applicable taxes on their fees and costs award and shall indemnify, defend, and
18 hold General Atomics Releasees harmless from any claim or liability for taxes, penalties or
19 interest arising as a result of any payments received by Class Counsel pursuant to this Agreement.
20 Any amount of Class Counsel's requested fees and costs that is not awarded by the Court shall
21 revert to the Settlement Pool.

22 7.5 Settlement Administrator

23 7.5.1 The Settlement Administration Costs incurred by the Settlement
24 Administrator as a result of the procedures and processes expressly required by this Settlement
25 shall be paid out of the Maximum Settlement Amount and are estimated not to exceed
26 \$50,500.00. Under no circumstances will Defendants be required to contribute additional funds,
27 above and in addition to the Maximum Settlement Amount, to cover any additional Settlement
28 Administration Costs. The Settlement Administration Costs shall include: all costs of

1 administering the Settlement, including all tax document preparation, custodial fees, and
2 accounting fees incurred by the Settlement Administrator; all costs and fees associated with
3 establishing and maintaining a Qualified Settlement Fund; all costs and fees associated with
4 preparing, issuing and mailing the Notice of Class Action Settlement and other correspondence to
5 Class Members; all costs and fees associated with communicating with Class Members, Class
6 Counsel, and Defendants' Counsel; all costs and fees associated with computing, processing,
7 reviewing, and paying the payments due under this Settlement, and resolving disputed claims; all
8 costs and fees associated with calculating tax withholdings and payroll taxes, making related
9 payment to federal and state tax authorities, and issuing tax forms relating to payments made
10 under the Settlement; all costs and fees associated with preparing any tax returns and any other
11 filings required by any governmental taxing authority or agency; all costs and fees associated
12 with preparing any other notices, reports, or filings to be prepared in the course of administering
13 payments due under this Settlement; and any other costs and fees incurred and/or charged by the
14 Settlement Administrator in connection with the execution of its duties under this Settlement.

15 The Settlement Administrator will also maintain a website with the URL
16 WeismanClassActionSettlement.com or a substantially similar URL, subject to the Parties'
17 approval, on which the Settlement Administrator will post any orders and the Judgment entered in
18 the Action as well as a copy of the Notice of Class Action Settlement and contact information for
19 Class Counsel and the Settlement Administrator. The Settlement Administrator will keep the
20 website active for 60 days after the Effective Date at which time the site will be taken down.

21 7.5.2 The actions of the Settlement Administrator shall be governed by the terms
22 of this Settlement and any Orders from the Court and any agreement by Class Counsel and
23 Defendants' Counsel regarding communications with the Settlement Administrator. Absent any
24 agreement, Defendants and Defendants' Counsel may communicate with the Settlement
25 Administrator without notice and/or copies to Class Counsel.

26 7.5.3 In the event that either Defendants' Counsel or Class Counsel take the
27 position that the Settlement Administrator is not acting in accordance with the terms of the
28 Settlement, such Defendants' Counsel or Class Counsel shall meet and confer first with opposing

1 counsel and/or, if necessary, with the Settlement Administrator or the Court to attempt to resolve
2 the issue.

3 7.6 Calculation of Individual Settlement Payments

4 7.6.1 Each Settlement Class Member will be entitled to receive an Individual
5 Settlement Payment, which will be paid out of the Settlement Pool. The amount of each
6 Individual Settlement Payment will be calculated on a pro rata basis, based on the Eligible
7 Workweeks each Settlement Class Member worked during the Class Period. There is no need for
8 a Settlement Class Member to submit a claim form in order to be eligible for and to receive an
9 Individual Settlement Payment.

10 7.6.2 To determine each Class Member’s estimated “Individual Settlement
11 Payment,” the Settlement Administrator will use the following formula: estimated Individual
12 Settlement Payment = (individual Eligible Workweeks ÷ all Class Member Eligible Workweeks)
13 × Settlement Pool.

14 7.6.3 The Parties recognize that the Individual Settlement Payments to be paid to
15 Class Members reflect settlement of a dispute over claimed wages, interest, penalties, and other
16 alleged damages.

17 7.6.4 All Individual Settlement Payments to Settlement Class Members shall be
18 allocated as follows for tax purposes: 70% of each Individual Settlement Payment reflects
19 compromise of a claim for alleged unpaid wages; 30% of each Individual Settlement Payment
20 reflects compromise of a claim for alleged interest and penalties. The portion of the Individual
21 Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable
22 payroll and income tax withholdings (for the employee portion only) and will be reported on an
23 IRS Form W-2. Settlement Class Members will each indemnify and hold harmless General
24 Atomics Releasees for any taxes due or owing by them with respect such payments and/or any
25 penalties and interest owed by General Atomics Releasees for the failure to withhold with respect
26 to such payments. The Settlement Administrator shall make appropriate tax withholdings from
27 the portion of each Individual Settlement Payment designated as unpaid wages, and shall pay the
28 employer portion of payroll taxes with funds separate from the Maximum Settlement Payment to

1 be furnished by Defendants. Settlement Class Members will be responsible for paying all other
2 taxes due on their Individual Settlement Payments. Other than as set forth above, the Settlement
3 Administrator will not make any deductions, withholdings, or additional payments, including
4 without limitation, medical or other insurance payments or premiums, employee 401(k)
5 contributions or matching employer contributions, wage garnishments to the extent permitted by
6 law, or charity withholdings, from or with respect to the Individual Settlement Payments, and
7 entry of the Order of Final Approval by the Court shall be deemed authority not to make any such
8 deductions, withholdings, or additional payments.

9 7.7 PAGA Payment

10 7.7.1 A total amount of \$350,000 from the Maximum Settlement Amount will be
11 allocated as the PAGA Payment to be paid as penalties under PAGA, seventy-five percent (75%)
12 of this amount will be the LWDA Payment to paid to the LWDA and the remaining twenty-five
13 (25%) shall be distributed to the PAGA Members as Individual PAGA Payments. Any portion of
14 the PAGA Payment not approved by the Court shall be added to the Settlement Pool and any
15 additional amount ordered by the Court shall be paid from the Maximum Settlement Amount.

16 7.7.2 The 25% of the PAGA Payment to be distributed to the PAGA Members as
17 Individual PAGA Payments and shall be distributed based on a pro rata share based on the
18 number of Eligible Pay Periods each PAGA Member worked during the PAGA Period.

19 7.7.3 All Individual PAGA Payments shall be allocated as 100% penalties, for
20 which a 1099 will be issued, if required. PAGA Members will be responsible for paying all taxes
21 due on their Individual PAGA Payments. The Settlement Administrator will not make any
22 deductions, withholdings, or additional payments, including without limitation, medical or other
23 insurance payments or premiums, employee 401(k) contributions or matching employer
24 contributions, wage garnishments to the extent permitted by law, or charity withholdings, from or
25 with respect to the Individual PAGA Payments.

26 7.8 Circular 230 Disclaimer

27 7.8.1 Each Party to this Settlement (for purposes of this section, the
28 “acknowledging party” and each Party to this Settlement other than the acknowledging party, an

1 “other party”) acknowledges and agrees that (1) no provision of this Settlement, and no written
2 communication or disclosure between or among the Parties or their attorneys and other advisers,
3 is or was intended to be, nor shall any such communication or disclosure constitute or be
4 construed or be relied upon as, tax advice within the meaning of United States Treasury
5 Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has
6 relied exclusively upon his, her, or its own, independent legal and tax counsel for advice
7 (including tax advice) in connection with this Agreement, (b) has not entered into this Settlement
8 based upon the recommendation of any other party or any attorney or advisor to any other party,
9 and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to
10 any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3)
11 no attorney or advisor to any other party has imposed any limitation that protects the
12 confidentiality of any such attorney’s or adviser’s tax strategies (regardless of whether such
13 limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or
14 tax structure of any transaction, including any transaction contemplated by this Settlement.

15 7.9 No Effect on Employee Benefits

16 7.9.1 Neither the Settlement nor any amounts paid under the Settlement will
17 modify any previously credited hours or service under any employee benefit plan, policy, or
18 bonus program sponsored by General Atomics Releasees. Such amounts will not form the basis
19 for additional contributions to, benefits under, or any other monetary entitlement under General
20 Atomics Releasees’ sponsored benefit plans, policies, or bonus programs. The payments made
21 under the terms of this Settlement shall not be applied retroactively, currently, or on a going
22 forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of
23 the General Atomics Releasees’ benefit plans, policies, or bonus programs. The General Atomics
24 Releasees retain the right to modify the language of their benefit plans, policies and bonus
25 programs to effectuate such intent.

26 7.10 Releases

27 7.10.1 Class Representatives’ Release. Upon the Effective Date, the Class
28 Representatives shall be deemed to have fully, finally, and forever released the General Atomics

1 Releasees from all Class Representatives' Released Claims through the Final Approval Date.
2 Class Representatives' Released Claims do not extend to any claims or actions to enforce this
3 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,
4 social security benefits, workers' compensation benefits that arose at any time, or based on
5 occurrences outside the Class Period. The Class Representatives may hereafter discover claims
6 or facts in addition to, or different from, those which they now know or believe to exist, but Class
7 Representatives expressly agree to fully, finally and forever settle and release any and all claims
8 against the General Atomics Releasees, known or unknown, suspected or unsuspected, which
9 exist or may exist on behalf of or against the other at the time of execution of this Agreement.
10 The Class Representatives shall be deemed to have expressly waived and relinquished, to the
11 fullest extent permitted by law, the provisions, rights, and benefits they may otherwise have had
12 relating to the Class Representatives' Released Claims pursuant to Section 1542 of the California
13 Civil Code, which provides as follows:

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

18 7.10.2 Settlement Class Member Release. Upon the Effective Date, the Settlement
19 Class Members, shall be deemed to have fully, finally, and forever released the General Atomics
20 Releasees from the Released Class Claims for the Class Period.

21 7.10.3 PAGA Member Release. Upon the Effective Date, Class Representatives,
22 as representatives of the State of California and on behalf of the LWDA and the PAGA Members,
23 fully and finally release the General Atomics Releasees from the Released PAGA Claims for the
24 PAGA Period.

25 8. NOTICE TO CLASS

26 8.1 Preliminary Approval

27 8.1.1 Class Counsel and Defendants' Counsel shall jointly submit to the Court
28 this Settlement and exhibits thereto for preliminary approval by the Court. Class Counsel will

1 prepare and file the motion for preliminary approval and supporting papers for the Court. Class
2 Counsel will provide copies of all documents to be filed with the Court to Defendants at least five
3 (5) business days before the documents are filed, for review and comment by Defendants. The
4 Court's preliminary approval of this Settlement shall be embodied in an order certifying the Class
5 for settlement purposes only, preliminarily approving the Settlement and providing for Notice of
6 Class Action Settlement to be mailed to the Class in materially the same format attached hereto as
7 **Exhibit 1**, and which will also set the date for the Final Approval Hearing.

8 8.2 Notice

9 8.2.1 No later than twenty (20) calendar days after the Court issues the
10 Preliminary Approval Order, Defendants shall provide to the Settlement Administrator in
11 electronic form, a list of each Class Member, including each person's name, last known address,
12 social security number, and number of Eligible Workweeks and Eligible Pay Periods, that will
13 become the Database. The Database shall be based on Defendants' personnel, payroll, and/or
14 other business records and provided in a format reasonably acceptable to the Settlement
15 Administrator. The Settlement Administrator shall maintain the Database, and all data contained
16 within the Database, as private and confidential and shall not disclose such data to any persons or
17 entities other than counsel for Defendants, unless otherwise required by law. The confidential
18 nature of the Database shall not inhibit Class Counsel's ability to do its fiduciary duty to the
19 Class. For purposes of carrying out the Settlement and resolving issues with the Settlement,
20 Class Counsel will have access to the information specific to Eligible Workweeks and Eligible
21 Pay Periods and only to the extent necessary to carry out the fiduciary duties necessary of Class
22 Counsel. To the extent the Settlement Administrator receives inquiries from individual Class
23 Members, the Settlement Administrator will apprise the Parties of the fact of the inquiry without
24 disclosing the Class Member's name. The Settlement Administrator will attempt to resolve any
25 such inquiry and may involve the Parties' respective counsel to the extent necessary. In the event
26 that the inquiry cannot be resolved adequately by the Settlement Administrator and, if necessary,
27 the Parties, the Parties shall meet and confer in good faith regarding whether disclosure of the
28 individual Class Member's name to Class Counsel will assist in resolution of the inquiry. If Class

1 Counsel is contacted by a Class Member regarding his/her data, the Settlement Administrator
2 shall identify and disclose that specific Class Member's data upon the request of Class Counsel.
3 The information in the Database is being supplied solely for purposes of the administration of the
4 settlement and cannot be used by the Settlement Administrator for any purpose other than to
5 administer the Settlement. Upon receipt of the Database, the Settlement Administrator shall
6 check with the U.S. Postal Service National Change of Address Database and update any
7 addresses for the Class Members.

8 8.2.2 Within thirty-five (35) calendar days of the Preliminary Approval Date, the
9 Settlement Administrator will send via United States first class mail the Notice of Class Action
10 Settlement to the Class Members. The Notice of Class Action Settlement shall advise Class
11 Members of their options, which include: submitting an Opt-Out Request to the class settlement;
12 submitting an objection to the Settlement and receiving an Individual Settlement Payment and an
13 Individual PAGA Payment (if applicable); or taking no action and receiving an Individual
14 Settlement Payment and an Individual PAGA Payment (if applicable).

15 8.2.3 If any Notice of Class Action Settlement is returned to the Settlement
16 Administrator as undeliverable, the Settlement Administrator shall run a skip-trace using that
17 Class Member's social security number in an effort to attempt to ascertain the current address of
18 the Class Member. If such an address(es) is ascertained, the Settlement Administrator shall re-
19 mail the Notice of Class Action Settlement within three (3) business days. If alternative
20 addresses are obtained for a Class Member, the Settlement Administrator shall send the Notice of
21 Class Action Settlement to up to two (2) alternative addresses. If any Notice of Class Action
22 Settlement is returned to the Settlement Administrator with a forwarding address, the Settlement
23 Administrator will promptly re-mail the Notice of Class Action Settlement to the address within
24 three (3) business days of receipt.

25 8.2.4 Class Members, except for the Class Representatives, will have forty-five
26 (45) calendar days from the date on which the Notice of Class Action Settlement is first mailed to
27 Class Members ("Response Deadline") within which to opt-out of the class portion of this
28 Settlement; however, exercising this option has no effect on the PAGA portion of this settlement,

1 PAGA Members will be mailed an Individual PAGA Payment and be bound by the release of the
2 Released PAGA Claims regardless of whether they opt out of the class settlement. Class
3 Members who want to opt out must timely submit a signed and dated written request to be
4 excluded from the class portion of the Settlement to the Settlement Administrator (“Opt-Out
5 Request”). The Opt-Out Request must be postmarked on or before the Response Deadline,
6 include the case name, case number, the Class Member’s name, address, and last four of their
7 social security number, must be signed by the Class Member, and must state in substance that the
8 Class Member wishes to exclude themselves or opt out of the settlement. Class Members who do
9 not timely submit an executed Opt-Out Request shall be deemed a Settlement Class Member and
10 bound by this Settlement, including the Class Released Claims. Class Members who timely
11 submit an executed Opt-Out Request will not be bound by the Class Released Claims and will not
12 receive an Individual Settlement Payment. The Notice of Class Action Settlement shall advise
13 Class Members of their ability to opt-out of the class portion of the Settlement and of the
14 consequences thereof, and further inform them that they cannot opt out of the PAGA settlement.
15 Neither the Parties nor any of their counsel will solicit any Class Member to submit an Opt-Out
16 Request.

17 8.2.5 Class Members, except for the Class Representatives, may object to the
18 Settlement in person at the Final Approval Hearing and/or in writing. Class Members, except for
19 the Class Representatives, will have until the Response Deadline within which to mail a written
20 objection to the Settlement and a notice of intention to appear at the Final Approval Hearing, to
21 the Settlement Administrator. Only Class Members who have not filed an Opt-Out Request may
22 object to the Settlement. The written objection should state the Class Member’s name and
23 address and describe the reason(s) why the Class Member objects to the Settlement and include or
24 attach any documents upon which the objection is based. The Parties and their counsel agree that
25 they will not solicit, encourage, counsel or advise any individual to object to the Settlement.

26 8.2.6 Within seven (7) calendar days after the Response Deadline, the Settlement
27 Administrator shall provide to Class Counsel and Defendants’ Counsel a status report setting
28 forth the number of Notices of Class Action Settlement returned as undeliverable, the number of

1 Opt-Out Requests and the number of objections, if any.

2 8.2.7 If five percent (5%) or more of the total number of Class Members (or a
3 number of Class Members whose Individual Settlement Payments collectively would be worth
4 more than 5% of all Class Members' combined Individual Settlement Payments) submit timely
5 and valid Opt-Out Requests, then Defendants shall have the option, in their sole and exclusive
6 discretion, to void the Settlement. To exercise this option, Defendants must send written
7 notification to Class Counsel within ten (10) calendar days of receiving the report from the
8 Settlement Administrator stating the total number of timely and valid Opt-Out Requests. If
9 Defendants choose to exercise this option, the effect will be precisely the same as if Final
10 Approval did not occur, as discussed herein. In the event Defendants exercise this option,
11 Defendants will be solely responsible for any Settlement Administration Costs incurred to the
12 date of revocation.

13 8.3 Final Approval

14 8.3.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry
15 of the Order of Final Approval (and associated entry of Judgment): (a) certifying the Class for
16 Settlement purposes only, (b) finding the Settlement fair, reasonable, adequate, and in the best
17 interests of the Class Members, (c) approving the PAGA Payment to the LWDA and the PAGA
18 Members; (d) approving Class Counsel's application for an award of attorneys' fees and costs, (e)
19 approving Class Representatives' application for Service Payments, (f) approving the payment of
20 reasonable Settlement Administration Costs, and (g) releasing and barring any further Released
21 Class Claims by Settlement Class Members and Released PAGA Claims by or on behalf of the
22 PAGA Members. The Parties and their respective counsel shall make all reasonable efforts to
23 secure entry of the Order of Final Approval. The proposed Order of Final Approval (and the
24 associated proposed Judgment) shall be filed with the Court with the motion for final approval, or
25 as otherwise directed by the Court.

26 8.3.2 Class Representatives and Class Counsel agree that they shall be responsible
27 for justifying the amount of the Service Payments and attorneys' fees and costs to the Court, and
28 they agree to submit, as appropriate, the necessary materials to justify these payments. If the

1 Court (or any appellate court) awards less than the amount requested for attorneys' fees and/or
2 costs, or less than the amount requested for the Service Payments for the Class Representatives,
3 only the awarded amounts shall be paid and shall constitute satisfaction of the obligations of
4 Defendants under this Settlement.

5 8.3.3 Defendants shall have the sole right to void and withdraw from this
6 Agreement if at any time prior to the Final Approval Date: (a) five percent (5%) or more of all
7 Class Members (or a number of Class Members whose Individual Settlement Payments
8 collectively would be worth more than 5% of all Class Members' combined Individual Settlement
9 Payments) opt out of the Settlement; or (b) the Settlement is construed in such a fashion that
10 Defendants would be required to pay more than the Maximum Settlement Amount, exclusive of
11 the employer's share of payroll taxes; or (c) the Court does not certify the settlement class, or
12 does not certify a class releasing all of the Released Class Claims and Released PAGA Claims set
13 defined in this Agreement, or does not approve the PAGA settlement, or otherwise makes an
14 order inconsistent with any of the material terms (as determined by Defendants) of this
15 Agreement.

16 8.3.4 If an appeal results in an order materially modifying, setting aside, or
17 vacating any portion of the Settlement, with the exception of any modification of the amount of
18 attorneys' fees or costs to be paid to Class Counsel, or the amount of the Service Payments paid
19 to the Class Representatives, each party adversely impacted by the order shall have the absolute
20 right, at its sole discretion, to treat such order as an event preventing Final Approval. To exercise
21 this right, the party must inform the other party and the Settlement Administrator, in writing, of
22 the exercise of this right, within ten (10) calendar days of receiving notice of any order
23 modifying, setting aside, or vacating any portion of the Settlement. Before either Party elects to
24 exercise its right to treat such order as an event permanently preventing Final Approval, that Party
25 must meet and confer in good faith with the other Party to determine if an agreement can be
26 reached modifying this Settlement to the mutual satisfaction of the Parties.

27 8.3.5 If the Final Approval or Final Judgment does not occur, or if this Settlement
28 is terminated or canceled pursuant to its terms, the Parties to this Settlement shall be deemed to

1 have reverted to their respective status as of the date and time immediately prior to the execution
2 of this Settlement. In such an event, if the Settlement is not approved by the Court substantially
3 in the form agreed to by the Parties, or if the Settlement is terminated, cancelled, declared void, or
4 fails to become effective in accordance with its terms, or if the Judgment does not become a Final
5 Judgment, or if the Final Approval Date does not occur, this Settlement (except for those
6 provisions relating to non-admission, denial of liability set forth herein, and the confidentiality
7 agreements entered into by the Parties) shall be deemed null and void, its terms and provisions
8 shall have no further force and effect and shall not be used in this Action or in any other
9 proceeding for any purpose, and any Judgment or order entered by the Court in accordance with
10 the terms of the Settlement shall be treated as vacated, *nunc pro tunc*. Notwithstanding any other
11 provision of this Settlement, no order of the Court, or modification or reversal on appeal of any
12 order of the Court, reducing the amount of any attorneys' fees or costs to be paid to Class
13 Counsel, or reducing the amount of any Service Payment paid to the Class Representatives, shall
14 constitute grounds for cancellation or termination of the Settlement, or grounds for limiting any
15 other provision of the Judgment.

16 8.4 Funding and Distribution of the Settlement Proceeds

17 8.4.1 Within fifteen (15) calendar days after the Effective Date, Defendants shall
18 pay the Maximum Settlement Amount and an amount sufficient to pay the employer's share of
19 payroll taxes, into the Qualified Settlement Fund set up, held, and controlled by the Settlement
20 Administrator.

21 8.4.2 Within thirty (30) calendar days of the Effective Date, the Settlement
22 Administrator shall issue Individual Settlement Payments to Settlement Class Members and the
23 Individual PAGA Payments to the PAGA Members.

24 8.4.3 After one hundred eighty (180) calendar days of issuance, funds from
25 undeposited Individual Settlement Payment and Individual PAGA Payment checks will be held
26 by the Settlement Administrator; if the Class Member or PAGA Member to whom the
27 undeposited check is issued does not contact Class Counsel or the Settlement Administrator
28 concerning his or her settlement payment check(s) within one-hundred eighty (180) calendar days

1 of issuance, the Settlement, including its release, will be binding on that Settlement Class
2 Member or PAGA Member, and the amount of that uncashed settlement payment shall be
3 transmitted to the State of California, to be held and disposed of by the Controller in accordance
4 with California’s Unclaimed Property Law for the benefit of those Settlement Class Members and
5 PAGA Members who did not cash their checks until such time that they claim their property. The
6 Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure
7 Code § 384, as the entire Settlement Pool will be paid out to Settlement Class Members, whether
8 or not they all cash their Individual Settlement Payments.

9 8.4.4 Within thirty (30) calendar days of the Effective Date, the Settlement
10 Administrator shall issue the LWDA Payment to the LWDA.

11 8.4.5 Within thirty (30) calendar days of the Effective Date, the Settlement
12 Administrator shall pay the Court-approved attorneys’ fees and costs to Class Counsel. Class
13 Counsel shall provide to the Settlement Administrator, the pertinent taxpayer identification
14 number and IRS Form W-9 within ten (10) calendar days after the Final Approval Date.

15 8.4.6 Within thirty (30) calendar days of the Effective Date, the Settlement
16 Administrator shall send a check by mail for the Court-approved Service Payments to the Class
17 Representatives or Class Counsel.

18 **9. MISCELLANEOUS PROVISIONS**

19 9.1 Neither the acceptance nor the performance by Defendants of the terms of this
20 Settlement, nor any of the related negotiations or proceedings, is or shall be claimed to be,
21 construed as, or deemed to be, an admission by Defendants of the truth of any of the allegations
22 in the Complaint, the representative character of the Action, the validity of any of the claims that
23 were or could have been asserted by Plaintiffs, Class Members and/or PAGA Members in the
24 Action, or of any liability or guilt of Defendants in the Action. Nothing in this Settlement shall
25 be construed to be or deemed an admission by Defendants of any liability, culpability, negligence,
26 or wrongdoing toward Plaintiffs, the Class Members, or any other person, and Defendants
27 specifically disclaim any liability, culpability, negligence, or wrongdoing toward Plaintiff, the
28 Class Members, and any other person. Each of the Parties has entered into this Settlement with

1 the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
2 and contingencies.

3 9.2 The Parties agree to cooperate fully with one another to accomplish and implement
4 the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of
5 such other documents and the taking of such other action as may reasonably be necessary to
6 fulfill the terms of this Settlement. The Parties to this Settlement shall exercise reasonable
7 efforts, including all efforts contemplated by this Settlement and any other efforts that may
8 become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set
9 forth herein.

10 9.3 Unless otherwise specifically provided herein, all notices, demands, or other
11 communications given hereunder shall be in writing and shall be deemed to have been duly given
12 as of the third business day after mailing by United States certified mail, return receipt requested,
13 addressed as follows:

14 To the Class Counsel:

15 Douglas Han
16 Shunt Tatavos-Gharajeh
17 Lizette Rodriguez
18 JUSTICE LAW CORPORATION
19 751 N. Fair Oaks Avenue, Suite 101
20 Pasadena, CA 91103

21 To Defendants:

22 Eric Meckley
23 Andrew Frederick
24 Nicole Beckley
25 Morgan, Lewis & Bockius LLP
26 One Market, Spear Street Tower
27 San Francisco, California 94105-1126

28 9.4 The Parties hereto agree that the terms and conditions of this Settlement are the
result of lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement
shall not be construed in favor of or against any party by reason of the extent to which any party
or its counsel participated in the drafting of this Settlement.

9.5 Plaintiffs, Class Counsel and all attorneys associated with Class Counsel agree that

1 they will not issue any press releases, initiate any contact with the press, provide any information
2 to the press, or otherwise publicize or cause to be publicized this case, this settlement, or the facts
3 leading up to the case or settlement, and represent that they have not done so prior to signing this
4 Agreement. As an absolute condition of this Agreement, Class Counsel will not post anything
5 relating to this matter on any website or other form of social media. Any communication about
6 the Settlement to Class Members other than Plaintiffs prior to the Court-approved mailing will be
7 limited to a statement that a settlement has been reached and the details will be communicated in
8 a forthcoming Court-approved Notice of Class Action Settlement.

9 9.6 The Class Representatives, by signing this Settlement, are bound by the terms
10 herein and further agrees not to request to be excluded from the Settlement and not to object to
11 any terms of this Settlement. Any such request for exclusion or objection shall therefore be void
12 and of no force or effect. Defendants, Class Counsel, and the Class Representatives waive their
13 rights to file an appeal, writ, or any challenge whatsoever to the terms of this Settlement, except
14 either Party may appeal in the event an objector's objection is upheld by the trial court.

15 9.7 Neither Class Counsel nor any other attorneys acting for, or purporting to act for,
16 the Class, Class Members, or Plaintiffs, may recover or seek to recover any amounts for fees,
17 costs, or disbursements from the Defendants or the General Atomics Releasees except as
18 expressly provided herein.

19 9.8 This Settlement may not be changed, altered, or modified, except in writing signed
20 by the Parties hereto and approved by the Court. This Settlement may not be discharged except
21 by performance in accordance with its terms or by a writing used by the Parties hereto.

22 9.9 This Settlement shall be binding upon and inure to the benefit of the Parties hereto
23 and their respective heirs, trustees, executors, administrators, successors, and assigns.

24 9.10 The Parties agree that it is impossible or impractical to have each Class Member
25 sign this Settlement. It is agreed therefore, that for purposes of seeking approval of the Class
26 Settlement, this Settlement may be executed on behalf of the proposed Class by Class Counsel
27 and the Class Representatives.

28 9.11 This Settlement shall become effective upon its execution by all of the

1 undersigned. The Parties may execute this Settlement in counterparts, and execution of
2 counterparts shall have the same force and effect as if all Parties had signed the same instrument.

3 9.12 The Court shall retain jurisdiction with respect to the implementation and
4 enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the
5 Court for purposes of implementing and enforcing the Settlement. Any action to enforce this
6 Settlement shall be commenced and maintained only in the Court.

7 9.13 Paragraph titles or captions contained in the Settlement are inserted as a matter of
8 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
9 Settlement, or any provision thereof.

10 IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly
11 authorized attorneys, as of the day and year herein set forth.

12 **AGREED TO AND UNDERSTOOD.**

13 DATED: 01/15/2023, 2023 
14 MELISSA WEISMAN

15 DATED: 01/15/2023, 2023 
16 SCOTT ATHEY

17
18
19 DATED: _____, 2023 GENERAL ATOMICS
20
21 By: _____
22 Its: _____

23
24 DATED: _____, 2023 GENERAL ATOMICS AERONAUTICAL SYSTEMS,
25 INC.
26 By: _____
27 Its: _____
28

1 undersigned. The Parties may execute this Settlement in counterparts, and execution of
2 counterparts shall have the same force and effect as if all Parties had signed the same instrument.

3 9.12 The Court shall retain jurisdiction with respect to the implementation and
4 enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the
5 Court for purposes of implementing and enforcing the Settlement. Any action to enforce this
6 Settlement shall be commenced and maintained only in the Court.

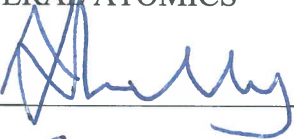
7 9.13 Paragraph titles or captions contained in the Settlement are inserted as a matter of
8 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
9 Settlement, or any provision thereof.


10 IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly
11 authorized attorneys, as of the day and year herein set forth.

12 **AGREED TO AND UNDERSTOOD.**

13 DATED: _____, 2023 _____
14 MELISSA WEISMAN

15 DATED: _____, 2023 _____
16 SCOTT ATHEY

17
18
19 DATED: 01/24 |, 2023 GENERAL ATOMICS
20 By:  _____
21 Its: CFO _____
22

23
24 DATED: January 24, 2023 GENERAL ATOMICS AERONAUTICAL SYSTEMS,
25 INC.
26 By:  _____
27 Its: Treasurer _____
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APPROVED AS TO FORM

Dated: January 16, 2023



Douglas Han
Shunt Tatavos-Gharajeh
Lizette Rodriguez
Justice Law Corporation
Counsel for Plaintiffs

Dated: _____

Eric Meckley
Andrew Frederick
Nicole Beckley
Morgan, Lewis & Bockius LLP
Counsel for Defendants


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APPROVED AS TO FORM

Dated: _____

Douglas Han
Shunt Tatavos-Gharajeh
Lizette Rodriguez
Justice Law Corporation
Counsel for Plaintiffs

Dated: January 24, 2023



Eric Meckley
Andrew Frederick
Nicole Beckley
Morgan, Lewis & Bockius LLP
Counsel for Defendants