

# **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

*John Baleja et al. v. Northrop Grumman Space and Mission Systems Corp. Salaried Pension Plan et al.,*  
Central District of California Case No. 5:17-cv-00235-JGB-SP

**Please read this notice carefully. A federal court authorized this notice. This is not a solicitation from a lawyer.**

You are receiving this Notice because, according to records from Northrop Grumman Corp., you are believed to be a member of the Class (described below). As such, your rights may be affected by a proposed settlement of this class action lawsuit (the “Settlement”).

**Please read the following information carefully to find out what the lawsuit is about, what the terms of the proposed Settlement are, what rights you have to object to the proposed Settlement Agreement if you disagree with its terms, and what deadlines apply.** This Notice summarizes the settlement terms and provides information concerning your rights as a Class Member. The complete Settlement Agreement according and other information about this lawsuit are available at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com) or by contacting the settlement administrator at email [info@BalejaNorthropGrummanSpaceSettlement.com](mailto:info@BalejaNorthropGrummanSpaceSettlement.com) or call (833) 647-9049.

You do not need to do anything to be a part of the Class or, if the Settlement is approved, to receive settlement proceeds in the form of pension benefits under the terms of the Settlement as discussed below.

## **1. What is a class action?**

A class action lawsuit is a legal action in which one or more people represent a large group, or class, of people. The purpose of a class action lawsuit is to litigate at one time similar legal claims of the members of the group.

## **2. What is this lawsuit about?**

This class action lawsuit (“Action”) was brought on behalf of certain participants and beneficiaries in the Northrop Grumman Space & Mission Systems Corp. Salaried Pension (the “Northrop Plan”), formerly known as the TRW Salaried Pension Plan (the “TRW Plan,” and with the Northrop Plan, the “Plan”). John Baleja and Fred Formosa (“Plaintiffs”) are the named plaintiffs and Court-appointed Class Representatives. On February 8, 2017, Plaintiff John Baleja sued Northrop Grumman Corp. (“Northrop Grumman”), the Plan, and the administrator of the Plan (collectively, “Defendants”) under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). On May 12, 2017, Plaintiff Baleja filed a First Amended Complaint. On November 17, 2017, Plaintiff Baleja filed a Second Amended Complaint asserting three claims for relief under ERISA:

(1) reformation of the plan and other appropriate equitable relief for breach of fiduciary duty pursuant to 29 U.S.C. § 1132(a)(3) based on Defendants’ alleged failure adequately to disclose the ESL Offset to Plaintiff Baleja and other members of the class;

(2) benefits due pursuant to 29 U.S.C. § 1132(a)(1)(B) under the terms of the TRW Plan and subsequent versions of the plan, including in violation of ERISA’s anti-cutback rule; and

(3) equitable relief and benefits due under a version of the TRW Plan in effect in 1981.

On October 19, 2022, the district court entered judgment for Defendants on all claims. On August 19, 2024, the United States Court of Appeals for the Ninth Circuit affirmed in part and reversed in part. The Ninth Circuit affirmed the district court’s entry of judgment on Count Two of the Second Amended Complaint, but reversed the district court’s determination that the Plan does not entitle Class Members to certain minimum benefits (“Minimum Benefits Claim”). The Ninth Circuit also

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reversed the district court's entry of summary judgment on Count One of the Second Amended Complaint, held that Count One was timely, and remanded for a second trial before the district court.

Following the Ninth Circuit's decision, the parties entered arms-length settlement negotiations, completed a full day of in-person mediation in March of 2025, and reached agreement to settle according to the terms of the Settlement Agreement and subject to the approval of the Court.

### **3. Who is in the Class?**

The Court previously decided that the following persons are in the Class. If you fit this description, then you are a Class Member. You are receiving this Notice based on records indicating that you are likely a Class Member:

All persons, excluding Defendants, whose pension benefits under the Plan, after December 31, 1984, are subject to the ESL Offset.

### **4. Why is there a proposed settlement?**

The Court has not decided in favor of either side in the Action. Plaintiffs and Class Counsel believe the claims have merit. Defendants deny all allegations of wrongdoing, fault, liability, or damage to the Plaintiffs, and deny that any Class Member is receiving a pension amount that is less than what they are entitled to receive under the terms of the Plan. Plaintiffs and Defendants have agreed to a settlement to avoid the expense, delay, uncertainty, and risk of litigation with respect to the Action.

Plaintiffs and Class Counsel believe that the proposed Settlement is in the best interest of the Class because it provides a fair and reasonable recovery for Class Members now, while avoiding the risk, expense, and delay of pursuing the case through another trial and any appeals, including the possibility of no recovery at all for members of the Class.

### **5. What are the terms of the Settlement?**

The legal rights and obligations relating to the Settlement are set forth in the Settlement Agreement, dated December 29, 2025, (the "Settlement Agreement"), which is available at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com). The Settlement resolves the Released Claims (defined below). The present value of the total settlement amount is \$21,500,000. The terms of the Settlement Agreement are summarized briefly below; you should review the Settlement Agreement itself for a complete and detailed description of the terms of the Settlement.

#### **A. Benefits to the Class**

If the Settlement is approved by the Court, the total settlement amount is \$21,500,000.00. This amount includes any Attorneys' Fees and Expenses Award (as described below). Class Members who were deceased and had no living beneficiary as of October 1, 2025 will not receive payments. Class Members will not begin receiving benefits under the Settlement unless and until the Settlement is approved by the Court and becomes effective.

If, after the Final Approval Hearing, the Court approves the Settlement, the additional pension benefits to Class Members will be individually calculated. Those additional pension benefits will be calculated using a points-based approach that approximates how harmed the Class Members allegedly were by the ESL Offset and failure to pay minimum benefits based upon factors, including: the Class Member's ESL account balance, pre- and post-1985 service, the interest projection period, and whether or not the Class Member received any benefit from the plan other than his or her ESL account balance.

#### **B. Release of Claims by the Class**

In exchange for benefits conferred by the Settlement, Plaintiffs and all members of the Class will release Defendants

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and other Released Parties (as defined in the Settlement Agreement) from any and all “Released Claims.” The Released Claims include all statutory, regulatory, administrative, and/or common law claims that were asserted in the Action or could have been asserted based upon the evidence introduced at trial and/or the provisions of the Plan applicable to the calculation or payment of Class Members’ benefits under the Plan, including any and all claims based on (i) the calculation or payment of minimum pension benefits under the Plan, (ii) the application of the ESL Offset to pension benefits paid or payable under the Plan, (iii) breach of fiduciary duty or other ERISA violations with respect to disclosures made by Defendants in summary plan descriptions purporting to describe pension benefits payable under the Plan, or (iv) breach of fiduciary duty or other ERISA violations with respect to disclosures made by Defendants about the ESL Offset and/or minimum benefits payable under the Plan.

This is just a summary; the specific language of the Release is set forth in full in the Settlement Agreement, which can be viewed online at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com). The release will become final if and when the Court enters the Final Approval Order.

## 6. Who is representing the interests of Class Members?

The Court has appointed the following lawyers (“Class Counsel”) to represent the Class:

Shaun Martin University of San Diego Law School 5998 Alcala Park, Warren Hall San Diego, CA 92110	Peter K. Stris Elizabeth Brannen <b>Stris &amp; Maher LLP</b> 17785 Center Court Dr N, Suite 600 Cerritos, CA 90703
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You will not be charged for these lawyers’ services. You do not need to hire your own lawyer because Class Counsel is working on your behalf and will seek final approval of the Settlement on behalf of the Class Members. Information about Class Counsel and the work they did in litigating this case through trial and appeal and negotiating the proposed Settlement is available at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com). You may hire your own lawyer to represent you in this case if you wish, but it will be at your own expense.

## 7. How will Class Counsel be paid?

From the beginning of the case to the present, Class Counsel has not received any payment for their services in pursuing this case or in obtaining this proposed Settlement, nor have they been reimbursed for any out-of-pocket expenses they have incurred. Nor have the Class Representatives been compensated for their time in connection with the Action or the risks that they assumed on behalf of the Class. The total settlement amount is \$21,500,000, which will include additional pension benefits (that may include an initial upfront payment and/or increased monthly benefit payment amounts), and any “Attorneys’ Fees and Expenses Award” (including any “Client Service Award”) awarded by the Court. Class Counsel will apply to the Court for an Attorneys’ Fees and Expenses Award (including Client Service Awards). In the aggregate, the total amount of the Attorneys’ Fees and Expenses Award (including Client Service Awards) will not exceed \$7,000,000.

## 8. What is the Court’s process for approving or rejecting the Settlement?

The Court has granted preliminary approval of the proposed Settlement and has approved the content of this Notice to provide Class Members with information about the Settlement and to inform Class Members of their right to object to the terms of the Settlement or to the requested Attorneys’ Fees and Expenses Award and/or Client Service Awards.

If any Class Members object to any aspect of the Settlement or to the requested Attorneys’ Fees and Expenses Award and/or Client Service Awards, the Court will decide how to rule on those objections. The Court has scheduled a Final Approval Hearing on May 4, 2026, at 9:00 a.m., which will be held in Courtroom 1 of the United States District Court for the Central District of California, 3470 Twelfth Street Riverside, CA 92501-3801. The date and location of the Final Approval Hearing is

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subject to change by order of the Court; if there is a change, it will appear on the Court's docket for the case and the settlement website at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com).

If, after the Final Approval Hearing, the Court approves the Settlement, the additional pension benefits to Class Members will be individually calculated and the increased payments will occur approximately 3-4 months after the Court's approval.

## **9. Can Class Members opt out of the Settlement?**

No. The Court has certified the class under a rule that does not permit class members to opt out.

## **10. Can Class Members object to the Settlement?**

Yes. Prior to the Final Approval Hearing, Class Members will have the opportunity to object to the fairness, reasonableness, or adequacy of the Settlement, to any term of the Settlement Agreement, and to the proposed Attorneys' Fees and Expenses Award and/or Client Service Awards. To object, you must file your objection with the Court in writing, sent by first-class mail, and serve a copy of your objection on the Parties' counsel. The addresses for filing objections with the Court and for serving objections on counsel are as follows:

For Filing:

Clerk of the Court  
United States District Court for the Central District of California  
George E. Brown, Jr. Federal Building and United States Courthouse  
3470 Twelfth Street  
Riverside, CA 92501-3801  
Re: John Baleja and Fred Formosa v. Northrop Grumman Space and Mission Systems Corp.  
Salaried Pension Plan; Northrop Grumman Benefit Plans Administrative Committee; Northrop  
Grumman Corporation; and DOES 1 through 10, Case No. 5:17-cv-00235-JGB-SP

To Class Counsel:

Peter K. Stris  
Elizabeth Brannen  
STRIS & MAHER LLP  
17785 Center Court Dr N., Suite 600  
Cerritos, CA 90703  
Tel: (213) 995-6800

To Defendants' Counsel:

C. William Phillips  
William E. O'Neil  
COVINGTON & BURLING LLP  
30 Hudson Yards  
New York, NY 10001

Objections must be filed with the Court and served on Class Counsel on or before April 6, 2026. To be valid and considered by the Court, any written objection must state: (1) the name and case number of the Action: *John Baleja v. Northrop Grumman Space and Mission Systems Corp. Salaried Pension Plan; Northrop Grumman Benefit Plans Administrative*

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*Committee; Northrop Grumman Corporation; and DOES 1 through 10, Case No. 5:17-cv-00235-JGB-SP; (2) your name, address, and telephone number, and indicate you are a class member; and (3) the specific grounds for the objection, including any arguments, legal citations or support, and evidence supporting the objection (including copies of any documents relied upon). You must also sign the objection and indicate whether you intend to appear at the Final Approval Hearing, either personally or through your own counsel. Please note that you need not appear at the Final Approval Hearing in order to have your objection heard. Class members who do not comply with these procedures, or who miss the deadline to file an objection, lose the opportunity to have their objection considered by the Court or to appeal from any order or judgment entered by the Court regarding the Settlement.*

## **11. Where can I get additional information?**

You can visit the Settlement website at [www.BalejaNorthropGrummanSpaceSettlement.com](http://www.BalejaNorthropGrummanSpaceSettlement.com), where you will find the full Settlement Agreement, the Court's order granting preliminary approval of the Settlement, this Notice, and other relevant documents. If there are any changes to how or when the Final Approval Hearing will be held, the deadlines for objecting to the Settlement, or the Settlement Agreement itself, those changes will be posted on the Settlement website. You will not receive an additional mailed notice with those changes, unless separately ordered by the Court. If you cannot find the information you need on the website, you may also contact the Settlement Administrator for more information online at [info@BalejaNorthropGrummanSpaceSettlement.com](mailto:info@BalejaNorthropGrummanSpaceSettlement.com); via mail by writing to Settlement Administrator c/o Simpluris, P.O Box 26170, Santa Ana, CA 92799; or via phone by calling (833) 647-9049. Please do not contact the Court to get additional information.

## **12. What if my address or other information has changed or changes?**

It is your responsibility to inform the Settlement Administrator of your updated address or other information. You may do so by email to: [info@BalejaNorthropGrummanSpaceSettlement.com](mailto:info@BalejaNorthropGrummanSpaceSettlement.com) or by U.S. mail to the following address: Settlement Administrator c/o Simpluris, P.O. Box 26170, Santa Ana, CA, 92799.

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