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SUPERIOR COURT FOR THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

SERGIO ABUNDIS, on behalf of himself
and on behalf of all persons similarly situated,

Plaintiffs,

v.

IMAGE 2000, a California Corporation; and
DOES 1-50, Inclusive,

Defendants.

Case No. 21STCV19193

**DECLARATION OF JEAN-CLAUDE
LAPUYADE, ESQ. IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Judge: Hon. Palazuelos
Dept.: 9

Hearing Date: March 3, 2022

Hearing Time: 10:00 a.m.

I, Jean-Claude Lapuyade, Esq., declare as follows:

1. I am over eighteen years of age and if called as a witness, I could and would competently testify to the following facts from my own personal knowledge. I am an attorney-at-law and the owner of the law firm of JCL LAW FIRM, APC (hereinafter "Class Counsel"). I am counsel of record for Plaintiff SERGIO ABUNDIS, (hereafter "Plaintiff") in this wage and hour class action filed against IMAGE 2000; (hereinafter "Defendant").

2. This declaration is being submitted in support of Plaintiff's motion for Preliminary Approval of Class Action Settlement.

I. EXHIBITS

3. Attached hereto as **Exhibit “1”** is a true and correct copy of the fully executed Joint the Stipulation of Settlement of Class Action Claims and Release of Claims (“Agreement” or “Settlement Agreement”). Attached as **Exhibit “A”** to the Agreement is a true and correct copy of the proposed Class Notice.

4. Attached hereto as **Exhibit “2”** is a true and correct copy of the proof of filing with the Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement and Motion for Preliminary Approval of Class Action and PAGA Action Settlement evidencing Class Counsel’s compliance with California Labor Code Section 2699(1)(2).

II. INTRODUCTION

5. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of the Settlement Class is fair, reasonable, and valuable. The Settlement was negotiated by the Parties at arm's length. The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being denied or of Defendants prevailing at trial. Given that there are approximately 184 Settlement Class Members, **the average gross recovery is approximately \$1,430.25** (Net Settlement Amount divided by Settlement Class Members).

6. As discussed below, the proposed Settlement satisfies all criteria for preliminary settlement approval under California law and falls within the range of reasonableness. The average Individual Settlement Share to the Settlement Class meet or exceeds awards in similar wage and hour class actions. Moreover, the proposed Settlement Class is appropriate for provisional certification. Accordingly, Plaintiff respectfully requests that this Court grant preliminary approval of the Settlement.

/ / /

III. FACTS AND PROCEDURE

A. Overview of the Litigation

7. Defendant provides printing/imaging services and has been in the office technology industry for 30 years. Defendant is headquartered in Santa Clarita with employees spread across small branch locations in Fresno, Bakersfield, Valencia, Ontario, Lakewood, and Orange County.

8. Plaintiff worked for Defendant as an hourly, non-exempt field service technician between October 2012 and October 2020. As a non-exempt field service technician employee, Plaintiff regularly worked long hours servicing business machines, like fax machines, copiers, and printers. At all times during his employment, Plaintiff earned an hourly wage, some incentive compensation, and was entitled to legally compliant meal and rest periods, and minimum, regular, and overtime wages for all hours worked. Throughout his employment, Plaintiff was subject to Defendant's written policies and procedures contained in, among other documents, Defendant's written Employee Handbook.

9. Generally, Plaintiff claims that Defendant failed to pay him and the Class Members for all hours worked, including overtime at the correct rate of pay, failed to provide compliant meal and rest periods, failed to reimburse mandatory business expenses, and that he was wrongfully terminated. Further, Defendant asserts that it fully complied with all applicable employment laws and raised several other significant defenses to Plaintiff's claims, including but not limited to, facially compliant meal and rest period policies, and written policies making the use of personal cell phones optional.

10. On February 8, 2021, Plaintiff served Defendant and the Labor and Workforce Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiff's PAGA Notice set forth the facts and theories supporting Defendant's alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commissions ("IWC") Wage Order and of his intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab. Code Sections 2698 et seq ("PAGA").

11. On May 20, 2021, Plaintiff filed a class action complaint in the San Diego Superior Court for: (1) Unfair Competition in Violation of Bus. and Prof. Code §§ 17200; (2) failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 and 1197.1; (3) failure to pay overtime

1 wages in violation of California Labor Code sections 510 *et seq.*; (4) failure to provide required meal
2 periods in violation of California Labor Code sections 226.7 and 512; (5) failure to provide required
3 rest periods in violation of California Labor Code sections 226.7 and 512; (6) failure to reimburse
4 employees for required business expenses in violation of California Labor Code section 2802; (7) failure
5 to provide accurate itemized wage statements in violation of California Labor Code sections 226 and
6 226.2; (8) failure to provide wages when due in violation of California Labor Code sections 201, 202
7 and 203; (9) unpaid sick pay and failure to provide paid sick leave balance in violation of California
8 Labor Code section 246; (10) retaliation in violation of California Labor Code section 1102.5; (11)
9 wrongful termination in violation of public policy; and (12) violations of the Private Attorneys General
10 Act (“PAGA”).

11 12. To prepare for mediation, the Parties agreed to informally produce certain documents and
12 data points subject to the mediation privilege, including but not limited to, a sample of the Class
13 Members’ time and payroll data. As discussed *infra*, Plaintiff’s counsel retained the Berger Consulting
14 Group, to analyze Defendant’s time and payroll data.

15 13. On November 19, 2021, the Parties participated in a full day mediation with Hon. Brian
16 C. Walsh (Ret.). After arms-length negotiations and bargaining, the parties reached an agreement to
17 settle based on Judge Walsh’s proposal, and signed a Memorandum of Understanding. After reaching
18 an agreement in principle, the parties drafted and negotiated a long-form settlement agreement, which
19 is the subject of the instant motion.

20 **B. Class Counsel Thoroughly Investigated the Factual and Legal Issues**

21 14. In October 2020, Class Counsel began its pre-filing investigation into Plaintiff’s
22 complaints. Class Counsel’s investigation started with several lengthy interviews with Plaintiff. As part
23 of the interview process, Plaintiff produced nearly 100 pages of documents related to his employment
24 for Defendant, including portions of Defendant’s handbooks, compensation policies and time and
25 payroll records. At the conclusion of the interviews, Class Counsel determined that Plaintiff’s
26 complaints justified further inquiry.

Period, the amount underpaid due to regular rate miscalculation, and the amount of off-the-clock work performed by the Settlement Class during the Class Period.

19. In advance of mediation, Class Counsel created a damage model predicated on BCG analysis. Class Counsel's model calculated Defendant's potential liability exposure while accounting for the uncertainties of continued litigation. These damage models informed and guided Class Counsel during the mediated settlement discussions.

20. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1) determining Plaintiff's suitability as a putative class representative through interviews, background investigations, and analysis of his employment files; (2) evaluating all of Plaintiff's potential claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing the Settlement Class's time and payroll records; (5) analyzing Defendant's labor policies and practices; (6) researching settlements in similar cases as well as outstanding issues which could affect settlement approval; (7) evaluating Plaintiff's claims and estimating Defendant's liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, such as to make an independent assessment of the reasonableness of the terms to which the parties have agreed.

C. The Parties Settled at Mediation

21. On November 19, 2021, the Parties conducted a full day of mediation with Brian C. Walsh, a highly regarded mediator and former Santa Clara County Superior Court Judge. Judge Walsh helped to manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. The Parties made substantial progress with Judge Walsh's assistance. Namely, the parties exchanged information regarding their respective claims and defense, including their respective evaluation of the damages. After more than eight hours arm's length and adversarial negotiations, the mediation nearly concluded without a settlement. However, at the conclusion of the mediation, Judge Walsh issued a proposal for settlement that the Parties accepted. The complete and final terms of the

Parties' settlement are now set forth in the Agreement. Class Counsel submits that the Settlement constitutes a fair, adequate, and reasonable compromise of the claims at issue.

22. At all times, the Parties' negotiations were at an arm's length, adversarial and non-collusive. In fact, despite a full day of mediated negotiations, the Parties reached an impasse and the mediation session nearly concluded without a settlement. The matter resolved only when Judge Walsh issued a mediator's proposal that the Parties accepted. Judge Walsh only arrived at his proposal after hearing arguments, reviewing evidence, and evaluating the Parties' respective claims and defenses.

23. Once the Parties agreed to the Mediator's proposal, the Parties engaged in protracted negotiations regarding the written terms of the class action settlement. The Parties maintained the arm's length, non-collusive and adversarial negotiations while arriving at the final terms of the Settlement. The Agreement is the final product of these mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue.

24. Class Counsel only agreed to enter the Settlement following their thorough investigation and evaluation of Plaintiff's claims. Based on their investigation of the facts, applicable law, and marketplace for similar settlements, and in light of the risk of significant delay, uncertainty associated with litigation, and the various defenses asserted by Defendant, Class Counsel firmly believes this Agreement to be in the best interests of Settlement Class. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement

IV. ARGUMENT

A. The Court Should Preliminarily Approve the Settlement

25. The Total Settlement Amount of \$475,000 is fair and reasonable in light of the nature and magnitude of the claims being settled and the various potential impediments to recovery. Prior to mediation, Class Counsel retained BCG to develop a damage model measuring Defendant's liability exposure while accounting for the uncertainties of continued litigation. The model were informed by Class Counsel's investigation, including the analysis of a significant sample of time and payroll data. Class Counsel projected Defendant's liability exposure for the Settlement Class for *damages* to be approximately \$1,926,959, and liability exposure for damages and penalties to be

\$2,579,277(“Damages Model”) if successful at trial. This reflects the uncertainty regarding several of Plaintiff’s claims, together with the uncertainty surrounding derivative liability for inaccurate wage statements and waiting time penalties resulting from meal and rest period violations. Thus, the Total Settlement Amount of \$475,000 represents approximately 24.65% of Defendant’s liability exposure for damages, and 18.41% of Defendant’s liability exposure for damages and penalties, as estimated by Class Counsel at the time of mediation. The following summarizes Defendant’s estimated exposure.

(1) Estimated Damages for Meal Period Violations

26. Plaintiff alleges that Defendant failed to provide compliant meal periods. Specifically, Plaintiff alleges that as a result of their rigorous work schedules, Plaintiff and the Settlement Class Members were not able to take timely and duty-free meal periods. Labor Code 512 requires employers to provide employees with thirty (30) minute uninterrupted and duty-free meal period within the first five hours of work. Moreover, an employee who works more than ten (10) hours per day is entitled to receive a second thirty (30) minute uninterrupted and duty-free meal period.

27. Defendant argued that it fully complied with California meal period laws and maintained legally compliant policies and practices. Courts have found that where an employer's meal period policies are compliant, individualized issues exist as to the reasons for missed, late or truncated meal periods.

28. Defendant also argued that it occasionally paid meal period premium when missed, late or truncated meal periods were reported. Again, if successful, Defendant availed itself to a complete defense of Plaintiff’s meal period claim. Plaintiff estimated the damages for this claim to be approximately \$501,120.

(2) Estimated Damages for Rest Period Violations

29. Plaintiff also alleged that Defendant failed to provide compliant rest periods. Specifically, Plaintiff alleged that as a result of their rigorous work schedules, Plaintiff and the Settlement Class Members were not able to take timely and duty-free rest periods.

30. Again, Defendant denied liability and asserted that it maintained legally compliant rest period policies and practices at all times throughout the Class Period. Moreover, Plaintiff recognizes

1 the evidentiary burdens establishing this claim. Establishing Plaintiff's rest period claim would rely,
2 almost entirely, on Class Member testimony, making it a riskier claim at class certification and liability
3 stages. Defendant likely would have argued that only a small number of Class Members actually missed
4 their rest breaks. Certification likely would have required depositions of Class Members who provided
5 declarations, and Defendant surely would have obtained opposing declarations stating either rest breaks
6 were taken, or rest breaks were voluntarily waived.

7 31. Accordingly, the rest break claim was heavily discounted in Plaintiff's valuation of the
8 case. Plaintiff estimated the damages for this claim to be approximately \$1,191,652. Importantly, this
9 amount is based on an unlikely assumption of a 100% violation rate.

10 **(3) Defendant's Estimated Exposure for Unreimbursed Expenses**

11 32. Plaintiff alleged that Defendant required the Settlement Class Members to incur personal
12 expenses for the use of Defendant's work-issued vehicles by way of a deduction from their wages.
13 California employers who require employees to incur personal business expenses for work purposes
14 must reimburse the employee for the cost incurred. (See Cal. Labor Code § 2802(a), providing that "An
15 employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the
16 employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the
17 directions of the employer..."). Specifically, Defendant deducted money from the Settlement Class
18 Members paychecks to compensate itself for the maintenance of the vehicles required unlawfully in
19 violation of Labor Code Section 2802.

20 33. Again, Defendant vigorously denied any liability for this claim. Defendant argued that
21 on the rare occasions where employees did incur business expenses, these expenses were fully
22 reimbursed. Defendant also offered evidence that it provides all supplies and equipment for employees
23 to do their jobs. This claim was also heavily discounted based on Defendant's defenses. Plaintiff
24 estimated Defendant's exposure for this claim ranged between \$110,792.

25 **(4) Defendant's Estimated Exposure for Unpaid Wages Due to Rounding**

26 34. Plaintiff alleged that because of Defendant's unlawful rounding policy, it failed to pay
27 Plaintiff and the Settlement Class Members all wages due for purposes of straight pay, overtime pay,
28

1 and double-time pay. Defendant denied liability and asserted that its employees were paid for all
2 time worked. Defendant argued that employees review and verify that their pay is correct, and they
3 understand how they are paid. Defendant also argued that its rounding policy, if any, was, for the
4 most part, neutral. Furthermore, Defendant argued that, even if successful, this claim resulted in
5 minimal actual damage to the Class Members—and Plaintiff’s expert confirmed this to be true. Plaintiff
6 estimated Defendant’s exposure for this claim to be approximately **\$22,368**.

7 **(5) Exposure for Wage Statement Violations and Waiting Time Penalties**

8 35. Generally, Plaintiff alleges that Defendant’s aforementioned violations resulted in
9 derivative violations of Labor Code sections 203 and 226(a). Class Counsel considered the arguable
10 presence of various penalties and weighed the potential recoveries against probable defenses.
11 Specifically, Defendant could argue that Plaintiff could not prove the “willful” prong needed to obtain
12 waiting time penalties under Cal. Lab. Code § 203. Additionally, Defendant could argue that Plaintiff
13 could not show that Class Members suffered an “injury” as a result of wage statement violations, as
14 required by Cal. Lab. Code § 226. Defendant could also argue that meal and rest period violations do
15 not entitle employees like Plaintiff and the Settlement Class Members to pursue the derivative waiting
16 time and itemized wage statement penalties. Plaintiff could not give the penalty claims great weight
17 given that they depended on proving the underlying claims, which had their own risks.

18 **(6) Defendant’s PAGA Exposure**

19 36. Class Counsel’s damage models also estimated Defendant’s exposure for PAGA
20 penalties arising from the aforementioned violations. At the time of mediation, Plaintiff estimated
21 Defendant’s PAGA exposure at approximately \$3,252,0000.

22 37. Here, Plaintiff would need to prove that each Aggrieved Employee suffered a violation
23 for each pay period the employee worked. Again, Defendant raised a number of defenses that presented
24 serious threats to the claims of the Plaintiff and the Aggrieved Employees. Defendant asserted that the
25 employment practices complied with all applicable Labor Laws. In addition to those arguments
26 discussed *supra*, Defendant also argued that the Court of Appeals decisions in *Wesson v. Staples the*
27 *Office Superstore, LLC* (2021) 68 Cal.App.5th 746 and *Cacho v. Eurostar, Inc.* (2019) 43 Cal.App.5th

885, weakened Plaintiff's claims, on liability, value, and manageability as to the rest period claims. In all, Plaintiff's PAGA liability exposure is hotly contested.

B. Inherent Risks of Continued Litigation Supports Preliminary Approval

38. With respect to the most immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and hour claims are demonstrated by *Donohue v. AMN Services, LLC* (2018) 29 Cal.App.5th 1068 (cert granted.) In *Donohue*, Fourth District Court of Appeal affirmed Hon. Joel Pressman's denial of class certification for missed meal and rest periods by call center employees. (See also *O'Conner v. Uber Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action); see also *Duran v. U.S. Bank National Association* (2014) 59 Cal.4th 1, 31 (reversing a trial verdict in favor plaintiffs in a wage and hour class action)); *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly individualized questions of fact not susceptible to class treatment."); *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341 (affirming denial of certification because employees' declarations attesting to having taken meal and rest breaks demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest period claims based on the predominance of individual issues.) Plaintiff is confident about the strength of his claims. Nonetheless, Plaintiff recognizes that Defendant has factual and legal defenses that, if successful, would potentially defeat or substantially impair the value of Plaintiff's lawsuit. Collectively, the examples cited above illustrate the uncertain nature of class litigation. Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk factor favoring settlement.

39. Further, continuing to litigate this action would require continued and extensive resources coupled with significant Court time to proceed through trial and post-trial motions; which can often take years. Furthermore, wage and hour litigations are complex and expensive, as it often necessitates extensive expert testimony, particularly with regards to damages. But even if Plaintiff is successful at

trial, Plaintiff is acutely aware that a judgment does not end the litigation. Plaintiff fully expects that Defendant would appeal any favorable judgment.

40. In this matter, Class Counsel negotiated a Total Settlement Amount of \$475,000 that is roughly 24.65% of Defendant's liability exposure for damages, and 18.41% of Defendant's liability exposure for damages and penalties. Given the amount of the settlement here, as compared to potential value of the claims, offset by the various inherent risks to continued litigation, the settlement is fair and reasonable.

B. Proposed Notice Informs the Class About the Case and Settlement

41. The Parties jointly drafted the Class Notice which fairly and neutrally informs the Settlement Class of their rights and remedies in this action. The Settlement Administrator will first verify addresses, then mail the proposed Class Notice to entire Settlement Class. The Notice will include information regarding the nature of the lawsuit, a summary of the substance of the Settlement's terms, the class definition, the procedure and time period within which to requests for exclusions or objections to the Settlement, the date for the final approval hearing, the formula used to calculate settlement payments, and the terms and scope of the Released Claims. Agreement at §III(K). This method was negotiated by the Parties to ensure delivering the most reasonable method of notice to the Settlement Class while ensuring cost effective administration of the Settlement.

42. As detailed in the Agreement, the method of disseminating the proposed Class Notice and contents of the Proposed Class Notice satisfy due process and the California Rule of Court 3.766.

C. The Court Should Preliminarily Approve the Enhancement Award

43. Approximately 184 members of the Settlement Class will share in the estimated \$251,666.67 Net Settlement Amount due entirely to the effort and commitment of Plaintiff. Subject to Court approval, therefore, the Settlement provides for a Class Representative Service Award of \$5,000¹

¹ The amount of the requested enhancement payment-\$5,000-is reasonable by reference to the amounts that California courts (both federal and state) have repeatedly found to be reasonable for wage and hour class action settlements: *See Guerrero v. R.R. Donnelley & Sons Co.*, No. RIC 10005196 (Riverside Super. Ct July 16, 2013) (awarding \$10,000 enhancement payment); *Kisliuk v. ADT Security Services, Inc.*, No. CV08-0324 DSF (RZx) (C.D. Cal. Jan. 10, 2011) (awarding \$10,000 enhancement payment); *Morales v. BCBG Maxaria Int'l Holdings, Inc.*, No. JCCP 4582 (Orange County Super. Ct Jan. 24, 2013) (awarding \$10,000 enhancement payment); and *Barrett v. Doyon Security Services, LLC*, Nos. BS900199, BS900517 (San Bernardino County Super. Ct. Apr. 23, 2010) (awarding \$10,000 enhancement payment).

for Plaintiff. The service award is fair and reasonable compensation for Plaintiff's efforts bringing the action, assisting Class Counsel with the litigation and settlement, regularly conferring with Class Counsel on the status of his case and the strategies for prosecuting the claims, reviewing the proposed Settlement to ensure that its terms are fair and provide adequate relief for the Settlement Class.

44. Class Counsel on behalf of Plaintiff will file a formal motion for the negotiated Class Representative Service Award once preliminary approval of the Settlement is granted. Plaintiff respectfully submits that the above showing is sufficient for preliminary approval of the negotiated Class Representative Service Award.

D. The Court Should Preliminary Approve the Negotiated Class Counsel Award

45. Class Counsel took this matter on a contingency fee basis and invested significant time and expense successfully prosecuting Plaintiff's claims. As discussed *supra*, the estimated average Individual Settlement Share illustrates the demonstrably positive outcome for the Settlement Class Members. The Agreement provides for a Class Counsel Award in the amount of one-third of the Total Settlement Amount and litigation costs and expenses not to exceed \$20,000. Agreement at §III(L)(10). In light of the positive outcome for the Settlement Class, and in light of the supporting authority, the proposed Class Counsel award is fair and reasonable.

46. Plaintiff will file a formal motion for the negotiated Class Counsel Award once preliminary approval of the Settlement is granted. Plaintiff respectfully submits that the above showing is sufficient for preliminary approval of the negotiated attorneys' fees.

E. The Court Should Provisionally Certify the Settlement Class

47. For the purpose of Settlement, Plaintiff contends, and Defendants do not dispute, that provisional certification of the Settlement Class is appropriate. It is my opinion that provisional certification is appropriate here, and that the Settlement is fair, reasonable and adequate, and in the best interests of the Class.

48. Generally, the proposed Settlement Class consists of all of Defendant's current and former California non-exempt employees during the Class Period. Defendant's records show that the Settlement Class Members consists of approximately 184 individuals, making joinder of all Settlement

1 Class Members impracticable. Further, because all Settlement Class Members are Defendant's current
2 and former employees, the class is readily ascertainable from Defendant's regular business records, i.e.,
3 payroll records.

4 49. The California statutes relating to each of Plaintiff's claims apply with equal force and
5 effect to the entire Settlement Class. Factually, Defendant's policies and practices apply class-wide and
6 Defendant's liability can be determined by facts common to all members of the class. The wage and
7 hour issues are both numerous and substantial, and a class action is the most advantageous method of
8 dealing with the claims of the Settlement Class

9 50. Plaintiff's wage and hour claims are typical of the proposed Settlement Class because
10 they arise from the same facts and are based on the same legal theories applicable to the other Class
11 Members. Likewise, Plaintiff's interests are entirely coextensive with the interests of the Settlement
12 Class. Plaintiff alleges that he was injured by the same company-wide practices to which the proposed
13 Settlement Class was subject and seeks the same relief. Plaintiff has already demonstrated his ability to
14 advocate for the interests of the Settlement Class by initiating this litigation, undertaking extensive class
15 discovery, and evaluating the proposed settlement to assure that it is fair.

16 51. A class action is superior to a multitude of individual lawsuits. Given the size and amount
17 of each individual Settlement Class Member's claim, Class Settlement Members likely have little
18 incentive to litigate their claims on an individual basis because the out-of-pocket expense and personal
19 commitment necessary to litigate each claim outweighs any potential recovery. In sum, class treatment
20 is superior to individual, case-by-case adjudication.

21 **F. Class Counsel's Experience**

22 52. Class Counsel in this matter has extensive class action experience in multiple fields and
23 has represented tens-of-thousands of persons in class actions. Counsel has previously litigated similar
24 wage and hour class actions involving similar meal and rest period violations. Class Counsel has been
25 approved as class counsel in similar wage and hour class actions throughout the State of California,
26 including in the Superior Court for the County of Los Angeles. As such, courts throughout the
27 California have deemed Class Counsel experienced and knowledgeable in this area of law. Class
28

Counsel has participated in every aspect of the settlement discussions and has concluded the settlement is fair, adequate and reasonable and in the best interests of the Class.

53. Plaintiff, the Settlement Class Members and the Aggrieved Employees are represented by competent and experienced counsel to pursue their claims. I established the JCL Law Firm, APC (“Firm”), in 2010. The Firm is a boutique plaintiff firm representing aggrieved employees and consumers throughout California in wage and hour class actions, PAGA Actions and complex multi-party product liability matters. The Firm currently consists of myself, Jean-Claude Lapuyade, Esq. (Partner/Owner), Eduardo Garcia (Associate), Tesla Stone (Paralegal), and Leilani Edmunds (Legal Secretary).

54. I am qualified to represent the Plaintiff, the State of California and the Aggrieved Employees. I have extensive experience with wage and hour class and representative actions litigation like this matter, and employment matters in general. Additionally, I have extensive complex mass tort litigation experience and complex construction product liability experience. I can, will and have adequately represented the interests of the Plaintiff, the State of California and the Aggrieved Employees throughout this action.

55. I have represented consumers and employees in California class actions, and complex multi-party product liability actions exclusively for more than 13 years. I have been in practice as a plaintiffs’ civil litigation attorney since April 2007.

56. I have significant class counsel and collective action counsel experience. I served as class and/or collective (PAGA) counsel in, among other cases, the following matters:

a. *Munoz v. AMTCR*, San Bernardino Superior Court Case No. CIV-DS2001914 (August 24, 2021) Hon. David Cohn approved a \$1.8 million dollar class and PAGA settlement for, *inter alia*, inaccurate itemized wage statements. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)

b. *Nunes v. Home Depot U.S.A., Inc.*, San Joaquin Superior Court Case No. STK-CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross approved a \$1.5 million dollar class and

PAGA settlement for, *inter alia*, miscalculated meal period premiums and appointed Jean-Claude Lapuyade, Esq, as Class Counsel.)

c. *Pillsbury v. T&T Restaurants CA, Inc.*, Del Norte Superior Court Case No. CVUJ-20-1214 (December 14, 2021 – Hon. Darren McElfresh approved \$550 billing rate and appointed Jean-Claude Lapuyade, Esq, as Class Counsel in a wage and hour class action settlement.)

d. *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No. CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed the JCL Law Firm, APC as Class Counsel)

e. *Elias Kaser v. Aviation Consultants, Inc.*, Orange County Superior Court Case No. 30-2021-01191204-CU-OE-CXC (September 22, 2021 – Hon. Peter J. Wilson approved \$550 billing rate in a representative California Labor Code Private Attorney General Act settlement).

f. *Jer Vang v. Bridge Property Management*, Alameda County Superior Court, Case No. RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and PAGA settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC acted as class counsel for the settlement class and as representative PAGA counsel the State of California and the Aggrieved Employees.)

g. *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a PAGA Settlement negotiated on behalf of the State of California and the aggrieved employees by the JCL Law Firm, APC.)

h. *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed the JCL Law Firm, APC as class counsel and approved a class and PAGA settlement for, *inter alia*, missed meal and rest periods.)

i. *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court, Case No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA Settlement for,

1 *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC acted as counsel for the
2 plaintiff, the State of California and the Aggrieved Employees.)

3 j. *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No. 37-2019-
4 00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL Law Firm as
5 Class Counsel and granted final approval of wage and hour class action for, *inter alia*, off-the-
6 clock work.)

7 k. *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-00036147
8 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class Counsel and
9 granted final approval of wage and hour class action for off-the-clock work.)

10 l. *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case No.
11 SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm as class
12 counsel and granted final approval of wage and hour class action for meal period violations.)

13 m. *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No. 37-
14 2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of PAGA
15 Settlement for, among other things, off-the-clock work. JCL Law Firm, APC acted as lead
16 counsel.)

17 n. *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-2019-
18 00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement for, *inter alia*,
19 missed meal and rest periods. JCL LAW Firm, APC, acted as lead counsel.)

20 o. *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of
21 California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class certification
22 of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as Class Counsel.)

23 p. *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court Case No.
24 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law Firm, APC, as
25 Class Counsel and granted final approval for an unlawful housing class action settlement arising
26 out of Civil Code Section 1940.1.)
27
28

q. *Hill v. Stetak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as class counsel and granted final approval of wage and hour class action for unpaid overtime.)

r. *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No. 37-2018-00043601 (May 31, 2019 – Hon. Gregory Pollack appointed JCL Law Firm, APC, as Class Counsel and granted preliminary approval for the wage and hour class action settlement involving nearly 900 current and former employees. Final approval scheduled for October 4, 2019)

s. *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No. CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement for *inter alia*, missed meal and rest periods and independent contractor misclassification.)

t. *Moschetto v. Pillow Global, Inc.* San Diego Superior Court, Case No. 37-2017-00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm, APC, as Class Counsel and granted final approval for a wage and hour wage class action settlement involving misclassified house cleaners.)

u. *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an unlawful housing class action arising under Civil Code Section 1940.2)

v. *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W. Pollock appointed JCL Law Firm, APC as Class Counsel and granted final approval for a wage and hour class action settlement for meal and rest period violations);

w. *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court Case No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law Firm, APC, as Class Counsel and granted final approval for a wage and hour class action settlement involving claims for on duty meal and rest periods.);

x. *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court Case No. BC603030 (2018 - certified and settled wage and hour class action.)

y. *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and rest periods)

z. *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-2016-00012373-CU-OE-CTL (2017 - Certified and settled class action for employee misclassification);

aa. *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No. BC617160 (2017 - Certified and settled wage and hour class action.);

bb. *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);

cc. *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices arising out of Civil Code Section 1940.1);

57. Since 2010, my firm has successfully recovered in excess of \$75 million on behalf of the Firm's clients.

58. Since 2010, I have successfully tried two (2) cases to conclusion, each resulting in a favorable verdict for the firm's clients.

59. Finally, I have published appellate experience in *William Blanchette et al., v. The Superior Court of Imperial County, (GHA Enterprises)*, 8 Cal.App.5th 521.

60. Consequently, I was named to the prestigious Thomson Reuters, Super Lawyers, Rising Star in 2015, 2016, 2017 and, again, in 2018. According to Thomson Reuters, the Super Lawyers, Rising Star list recognizes the top 2.5% of eligible attorneys. (see https://www.superlawyers.com/about/selection_process.html.)

1 I declare under the penalty of perjury under the laws of the State of California that the foregoing
2 is true and correct. Executed this 7th day of February 2022, at San Diego, California.

3
4 **JCL LAW FIRM, APC**

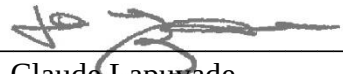
5 By: 
6 Jean-Claude Lapuyade
7 Attorneys for Plaintiff
8
9
10
11
12
13
14

EXHIBIT 1

JEAN-CLAUDE LAPUYADE, ESQ. (SBN 248676)
JCL LAW FIRM, APC
5440 MOREHOUSE DRIVE, SUITE 3600
SAN DIEGO, CA 92121
TEL: 619-599-8292
FAX: 619-599-8291

ZAKAY LAW GROUP, APLC
SHANI O. ZAKAY (SBN 277924)
5440 MOREHOUSE DRIVE, SUITE 3600
SAN DIEGO, CA 92121
TEL: (619) 255-9047

ATTORNEYS FOR PLAINTIFF AND THE PUTATIVE CLASS

SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

SERGIO ABUNDIS, on behalf of himself
and on behalf of all persons similarly
situated,

PLAINTIFF,

vs.

IMAGE 2000, a California Corporation; and
DOES 1 through 50, Inclusive;

DEFENDANT.

Case No. 21STCV19193

[Action Filed 05/20/2021]

**STIPULATION OF SETTLEMENT OF
CLASS ACTION CLAIMS AND
RELEASE OF CLAIMS**

Judge: Honorable Yvette M. Palazuelos
Dept.: 9

1 This Stipulation of Class Action Settlement and Release of Claims is entered into by and
2 between Plaintiff SERGIO ABUNDIS (hereinafter "Plaintiff"), individually and on behalf of the
3 Settlement Class, and in his representative capacity on behalf of the State of California and the
4 Aggrieved Employees, and Defendant IMAGE 2000, a California Corporation (hereinafter
5 "Defendant"):

6 **I. DEFINITIONS**

- 7 A. "Action" shall mean the putative class action lawsuit designated *Abundis v. Image*
8 *2000*, Los Angeles County Superior Court, Case No. 21STCV19193, filed May 20,
9 2021.
- 10 B. "Aggrieved Employees" shall mean all persons who worked for Defendant in
11 California as an hourly paid or non-exempt employee during the PAGA Period.
- 12 C. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement of
13 Class Action and Release of Claims.
- 14 D. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
15 Shani Zakay of Zakay Law Group, APLC.
- 16 E. "Class Counsel Award" means the award of fees and expenses that the Court
17 authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff
18 and the Settlement Class in the Action, consisting of attorneys' fees currently not to
19 exceed one-third (33.33%) of the Total Settlement Amount currently estimated to be
20 \$158,333.33 out of \$475,000.00 plus costs of up to \$20,000.00. Class Counsel's
21 award for attorneys' fees will be equally divided between Class Counsel (50% to
22 JCL Law Firm, APC and 50% to Zakay Law Group, APLC).
- 23 F. "Class Data" means information regarding Class Members that Defendant will in
24 good faith compile from its records and provide directly to the Settlement
25 Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall
26 include: each Class Member's full name; last known address; Social Security
27 Number; start dates and end dates of employment.

- 1 G. "Class Members" or the "Class" means all persons who worked for Defendant in
2 California as an hourly paid or non-exempt employee during the Class Period.
- 3 H. "Class Period" means the period from May 20, 2017 to January 21, 2022.
- 4 I. "Class Representative Service Award" means the amount that the Court authorizes to
5 be paid to the Class Representative, in addition to his Individual Settlement Payment
6 and his pro-rata share of the PAGA Settlement, in recognition of his efforts and risks
7 in assisting with the prosecution of the Action and in exchange for executing a
8 General Release.
- 9 J. "Class Representative" shall mean plaintiff SERGIO ABUNDIS.
- 10 K. "Court" means the Superior Court for the State of California, County of Los Angeles
11 currently presiding over the Action.
- 12 L. "Defendant" shall mean IMAGE 2000, a California Corporation.
- 13 M. "Effective Date" means the earliest date, following entry by the Court of an order
14 and judgment finally approving this Settlement, upon which one of the following have
15 occurred: (i) if no objection is filed to the settlement and no objector appears at the
16 hearing on final approval, the date of the Court's entry of the order granting final
17 approval, (ii) if an objection is filed to the settlement, or an objector appears at the
18 hearing on final approval, then the later of the following: (a) the expiration of all
19 potential appeal periods without a filing of a notice of appeal of the final approval
20 order or judgment; (b) final affirmance of the final approval order and judgment by
21 an appellate court as a result of any appeal(s), or (c) final dismissal or denial of all
22 such appeals (including any petition for review, rehearing, certiorari, etc.) such that
23 the final approval order and judgment is no longer subject to further judicial review.
- 24 N. "Funding Date" shall mean thirty (30) calendar days after the Effective Date and is
25 the date Defendant transfers the Total Settlement Amount into the QSF in accord with
26 the terms of this Agreement.
- 27
28

- 1 O. "Individual Settlement Payment" means the amount payable from the Net Settlement
2 Amount to each Settlement Class Member and excludes any amounts distributed to
3 Aggrieved Employees pursuant to PAGA.
- 4 P. "Net Settlement Amount" or "NSA" means the Total Settlement Amount, less Class
5 Counsel Award, Class Representative Service Award, PAGA Settlement, and
6 Settlement Administration Costs.
- 7 Q. "Notice Packet" means the Class Notice to be provided to the Class Members by the
8 Settlement Administrator in the form set forth as Exhibit A to this Agreement (other
9 than formatting changes to facilitate printing by the Settlement Administrator).
- 10 R. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
11 Labor Code § 2698 *et seq.*
- 12 S. "PAGA Payment Ratio" means the respective pay periods during the PAGA Period
13 for each Aggrieved Employee divided by the sum total of the pay periods for all
14 Aggrieved Employees during the PAGA Period.
- 15 T. "PAGA Period" means the period of February 8, 2020 to January 21, 2022.
- 16 U. "PAGA Settlement" shall mean Twenty Thousand Dollars (\$20,000) to be allocated
17 from the Total Settlement Amount.
- 18 V. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either
19 Plaintiff or Defendant, individually.
- 20 W. "Payment Ratio" means the respective Workweeks for each Class Member divided by
21 the sum total Workweeks for all Class Members.
- 22 X. "Plaintiff" shall mean SERGIO ABUNDIS.
- 23 Y. "QSF" means the Qualified Settlement Fund established, designated and maintained
24 by the Settlement Administrator to fund the Total Settlement Amount.
- 25 Z. "Released Class Claims" means any and all claims asserted in the operative class
26 complaint and all claims that could have been asserted in the operative complaint
27 based on the same operative facts alleged in the operative complaint, including state
28 wage and hour claims for any and all violation of California's Labor code and Unfair

1 Competition law based on Defendant's failure to pay all wages due (including
2 minimum wages, straight time wages, and overtime wages), failure to provide
3 compliant meal periods, failure to authorize and permit compliant rest periods, failure
4 to provide accurate and itemized wage statements, failure to timely pay all wages due
5 at the time of termination, failure to reimburse employees for all business-related
6 expenses, violations of the Business and Professions Code section 17200 predicated
7 on the Labor Code violations alleged in the operative complaint, and all damages,
8 interest, penalties, attorneys' fees, costs, and other amounts recoverable under said
9 causes of action under California law, to the extent permissible, and expressly
10 excluding all other claims, including claims for vested benefits, wrongful termination,
11 unemployment insurance, disability, social security, workers' compensation, and
12 claims outside the Class Period.

13 AA. "Released PAGA Claims" means any and all claims for PAGA penalties alleged in
14 the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred
15 during the PAGA Period, and expressly excluding all other claims, including claims
16 for vested benefits, wrongful termination, unemployment insurance, disability, social
17 security, workers' compensation, and claims outside the PAGA Period.

18 BB. "Released Parties" shall mean Defendant, including its parent corporation, affiliates,
19 subsidiaries, divisions, predecessors, insurers, professional employer organization or
20 PEO, successors, and assigns, and their current and former employees, attorneys,
21 officers, directors, and agents thereof, both individually and in their business
22 capacities, and their employee benefit plans and programs and the trustees,
23 administrators, fiduciaries, and insurers of such plans and programs (collectively, the
24 "Released Parties").

25 CC. "Response Deadline" means the date forty-five (45) days after the Settlement
26 Administrator mails Notice Packets to Class Members and the last date on which
27 Class Members may submit requests for exclusion or objections to the Settlement.

28 DD. "Settlement" means the disposition of the Action pursuant to this Agreement.

1 EE. "Settlement Administrator" means ILYM Group Inc., 14771 Plaza Drive, Ste. L,
2 Tustin, CA 92780; Tel: 1-888-250-6810; Fax: 1-888-845-6185. The Settlement
3 Administrator establishes, designates and maintains, as a QSF under Internal Revenue
4 Code section 468B and Treasury Regulation section 1.468B-1, into which the amount
5 of the Total Settlement Amount is deposited for the purpose of resolving the claims
6 of Settlement Class Members. The Settlement Administrator shall maintain the funds
7 until distribution in an account(s) segregated from the assets of Defendant and any
8 person related to Defendant. ***All accrued interest generated in the QSF account shall***
9 ***be paid and distributed to the Settlement Class Members as part of their respective***
10 ***Individual Settlement Payment.*** Defendant will not be required to pay an additional
11 funds associated with residue and the interest (as mentioned above) is the interest
12 earned in the account established by the Settlement Administrator.

13 FF. "Settlement Class Members" or "Settlement Class" means all Class Members who
14 have not submitted a timely and valid request for exclusion as provided in this
15 Agreement.

16 GG. "Total Settlement Amount" means Four Hundred Seventy-Five Thousand Dollars
17 (\$475,000.00) that Defendant must pay into the QSF in connection with this
18 Settlement, inclusive of the sum of the Individual Settlement Payments, the Class
19 Representative Service Awards, the Class Counsel Award, PAGA Settlement and the
20 Settlement Administration Costs and ***exclusive*** of the employer's share of payroll tax,
21 if any, triggered by any payment under this Settlement.

22 HH. "Workweeks", for purposes of calculating the distribution of the Net Settlement
23 Amount, means the number of weeks of employment during the Class Period that
24 each Class Member was employed by Defendant in California.

25 **II. RECITALS**

26 A. On February 8, 2021, Plaintiff Abundis filed a Notice of Violations with the Labor
27 and Workforce Development Agency (LWDA) and served the same on Defendant.

28 B. On May 20, 2021, Plaintiff Abundis filed the class action lawsuit for:

1. Unfair Competition in Violation of Bus. and Prof. Code sections 17200 *et seq*;
2. Failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 & 1197.1;
3. Failure to pay overtime wages in violation of California Labor Code sections 510 *et seq*;
4. Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order;
5. Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order;
6. Failure to reimburse employees for required expenses in violation of Cal. Lab. Code section 2802;
7. Failure to provide accurate itemized wage statements in violation of California Labor Code sections 226 and 226.2;
8. Failure to provide wages when due in violation of Cal. Lab. Code sections 201, 202 and 203;
9. Unpaid sick pay and failure to provide paid sick leave balance in violation of Cal. Lab. Code sections 246, *et seq*;
10. Retaliation in violation of Cal. Lab. Code section 1102.5;
11. Wrongful termination in violation of public policy; and
12. Violation of the Private Attorneys General Act [Labor Code section 2698, *et seq.*].

C. The Class Representative believes he has meritorious claims based on alleged violations of the California Labor Code, and the Industrial Wage Commission Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action, and this action is manageable as a PAGA representative action.

D. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes any wages, damages and penalties claimed by the Class

Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendant contends, among other things, that at all times they complied with the California Labor Code and the Industrial Wage Commission Orders.

E. The Class Representative is represented by Class Counsel. Class Counsel conducted an investigation into the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information exchanged through informal discovery, and reviewing documents and information provided by Defendant pursuant to informal requests for information to prepare for mediation. Defendant produced for the purpose of settlement negotiations certain employment data concerning the Settlement Class, which Class Counsel reviewed and analyzed. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable and adequate, and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding class certification, and numerous potential appellate issues. Although it denies any liability, Defendant is agreeing to this Settlement solely to avoid the inconveniences and cost of further litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.

F. On November 19, 2021, the Parties participated in mediation presided over by Hon. Brian C. Walsh (Ret.), a respected jurist and mediator. The mediation concluded with a settlement based on Judge Walsh's mediator proposal. The agreement was memorialized in the form of a Memorandum of Understanding.

G. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by

1 Defendant that the claims in the Action of Plaintiff or the Class Members have merit
2 or that Defendant bears any liability to Plaintiff or the Class on those claims or any
3 other claims, or as an admission by Plaintiff that Defendant's defenses in the Action
4 have merit.

5 H. The Parties believe that the Settlement is fair, reasonable and adequate. The
6 Settlement was arrived at through arm's-length negotiations, taking into account all
7 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
8 attendant to continuing the Action through trial and any appeal. Accordingly, the
9 Parties desire to fully, finally, and forever settle, compromise and discharge all
10 disputes and claims arising from or relating to the Action.

11 I. The Parties agree to certification of the Class for purposes of this Settlement only. If
12 for any reason the settlement does not become effective, Defendant reserves the right
13 to contest certification of any class for any reason and reserves all available defenses
14 to the claims in the Action.

15 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

16 **III. TERMS OF AGREEMENT**

17 A. Settlement Consideration and Settlement Payments by Defendant.

18 1. Settlement Consideration. In full and complete settlement of the Action, and
19 in exchange for the releases set forth below, Defendant and the Released
20 Parties will pay the sum of the Individual Settlement Payment, the Class
21 Representative Service Award, the Class Counsel Award, PAGA Settlement,
22 and the Settlement Administration Costs, as specified in this Agreement, equal
23 to the Total Settlement Amount of Four Hundred Seventy-Five Thousand
24 Dollars (\$475,000.00). The Parties agree that this is a non-reversionary
25 Settlement and that no portion of the Total Settlement Amount shall revert to
26 Defendant. Other than the Defendant's share of employer payroll taxes, or as
27 otherwise specified in the Agreement, Defendant shall not be required to pay
28 more than the Total Settlement Amount, except as provided for hereinbelow.

- 1 2. Class Size. At the time of mediation, Defendant estimated that the Settlement
2 Class was comprised of 184 individuals who collectively worked
3 approximately 19,500 workweeks (“Projected Workweeks”) between May
4 20, 2017, through August 31, 2021. In regard hereto, Defendant will provide
5 details on the number of applicable Class Members and dates of employment
6 during the applicable Class Period such that the Settlement Administrator can
7 calculate and confirm the total number of workweeks. If the number of
8 workweeks estimated between May 20, 2017 and August 31, 2021, increases
9 by more than 10% of the estimate stated herein, the Settlement Amount will
10 increase proportionally for the number of workweeks over 110% of 19,500
11 (or over 21,450).
- 12 3. Settlement Payment. Defendant shall pay, via wire transfer, the Total
13 Settlement Amount to the Settlement Administrator on the Funding Date.
- 14 4. Defendant’s Share of Payroll Taxes. Defendant’s share of employer side
15 payroll taxes is in addition to the Total Settlement Amount and shall be paid
16 together with the Total Settlement Amount.
- 17 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
18 consideration set forth in this Agreement, Plaintiff and the Settlement Class Members
19 release the Released Parties from the Released Class Claims for the Class Period.
- 20 C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the
21 consideration set forth in this Agreement, the Plaintiff, the LWDA and the State of
22 California release the Released Parties from the PAGA Released Claims for the PAGA
23 Period. As a result of this release, the Aggrieved Employees shall be precluded from
24 bringing claims against Defendant for the PAGA Release Claims.
- 25 D. Conditions Precedent: This Settlement will become final and effective only upon the
26 occurrence of all of the following events:
- 27 1. The Court enters an order granting preliminary approval of the Settlement;
- 28

2. The Court enters an order granting final approval of the Settlement and a Final Judgment;
3. If an objector appears at the final approval hearing, the time for appeal of the Final Judgment and Order Granting Final Approval of Class Action Settlement expires; or, if an appeal is timely filed, there is a final resolution of any appeal from the Judgment and Order Granting Final Approval of Class Action Settlement; and
4. Defendant fully funds the Total Settlement Amount.

E. Nullification of Settlement Agreement. In the event that this Settlement Agreement is not preliminarily or finally approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the Released Claims, or if Defendant fails to fully fund the Total Settlement Amount:

1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;
2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and
3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.
4. Defendant shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Settlement Administration Costs incurred to the date of nullification.

1 F. Certification of the Settlement Class. The Parties stipulate to conditional class
2 certification of the Class for the Class Period for purposes of settlement only. In the
3 event that this Settlement is not approved by the Court, fails to become effective, or is
4 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
5 Defendant from obtaining a complete resolution of the Released Claims, the
6 conditional class certification (obtained for any purpose) shall be void *ab initio* and of
7 no force or effect, and shall not be admissible in any judicial, administrative or arbitral
8 proceeding for any purpose or with respect to any issue, substantive or procedural.

9 G. Tax Liability. The Parties make no representations as to the tax treatment or legal
10 effect of the payments called for, and Class Members and/or Aggrieved Employees
11 are not relying on any statement or representation by the Parties in this regard. Class
12 Members and/or Aggrieved Employees understand and agree that they will be
13 responsible for the payment of any taxes and penalties assessed on the Individual
14 Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA
15 Settlement described and will be solely responsible for any penalties or other
16 obligations resulting from their personal tax reporting of Individual Settlement
17 Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement.

18 H. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
19 the "acknowledging party" and each Party to this Agreement other than the
20 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
21 of this Agreement, and no written communication or disclosure between or among the
22 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
23 such communication or disclosure constitute or be construed or be relied upon as, tax
24 advice within the meaning of United States Treasury Department circular 230 (31 CFR
25 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
26 her or its own, independent legal and tax counsel for advice (including tax advice) in
27 connection with this Agreement, (b) has not entered into this Agreement based upon
28 the recommendation of any other Party or any attorney or advisor to any other Party,

1 and (c) is not entitled to rely upon any communication or disclosure by any attorney
2 or adviser to any other party to avoid any tax penalty that may be imposed on the
3 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
4 any limitation that protects the confidentiality of any such attorney's or adviser's tax
5 strategies (regardless of whether such limitation is legally binding) upon disclosure by
6 the acknowledging party of the tax treatment or tax structure of any transaction,
7 including any transaction contemplated by this Agreement.

8 I. Preliminary Approval Motion. At the earliest practicable time, Plaintiff shall file with
9 the Court a Motion for Order Granting Preliminary Approval and supporting papers,
10 which shall include this Settlement Agreement. Plaintiff will provide Defendant with
11 a draft of the Motion at least 3 business days prior to the filing of the Motion to give
12 Defendant an opportunity to propose changes or additions to the Motion.

13 J. Settlement Administrator. The Settlement Administrator shall be responsible for:
14 establishing and administering the QSF; calculating, processing and mailing payments
15 to the Class Representatives, Class Counsel, LWDA and Class Members; printing and
16 mailing the Notice Packets to the Class Members as directed by the Court; receiving
17 and reporting the objections and requests for exclusion; calculating, deducting and
18 remitting all legally required taxes from Individual Settlement Payments and
19 distributing tax forms for the Wage Portion and Non-Wage Portion of the Individual
20 Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA
21 Settlement; processing and mailing tax payments to the appropriate state and federal
22 taxing authorities; providing declaration(s) as necessary in support of preliminary
23 and/or final approval of this Settlement; and other tasks as the Parties mutually agree
24 or the Court orders the Settlement Administrator to perform. The Settlement
25 Administrator shall keep the Parties timely apprised of the performance of all
26 Settlement Administrator responsibilities by among other things, sending a weekly
27 status report to the Parties' counsel stating the date of the mailing, the of number of
28

1 Elections Not to Participate in Settlement it receives (including the numbers of valid
2 and deficient), and number of objections received.

3 K. Notice Procedure.

4 1. Class Data. No later than twenty-one (21) days after the Preliminary Approval
5 Date, Defendant shall provide the Settlement Administrator, subject to a
6 protective order governing confidential information entered by the Court, with
7 the Class Data for purposes of preparing and mailing Notice Packets to the
8 Class Members.

9 2. Notice Packets.

10 a) The Notice Packet shall contain the Notice of Class Action Settlement
11 in a form substantially similar to the form attached as Exhibit A. The
12 Notice of Class Action Settlement shall inform Class Members and
13 Aggrieved Employees that they need not do anything in order to
14 receive an Individual Settlement Payment and/or Aggrieved
15 Employees' individual shares of the PAGA Settlement and to keep the
16 Settlement Administrator apprised of their current mailing address, to
17 which the Individual Settlement Payments and/or Aggrieved
18 Employees' individual shares of the PAGA Settlement will be mailed
19 following the Funding Date. The Notice of Class Action Settlement
20 shall set forth the release to be given by all members of the Class who
21 do not request to be excluded from the Settlement Class and/or
22 Aggrieved Employees' in exchange for an Individual Settlement
23 Payment and/or Aggrieved Employees' individual shares of the PAGA
24 Settlement, the number of Workweeks worked by each Class Member
25 during the Class Period and PAGA Period, if any, and the estimated
26 amount of their Individual Settlement Payment if they do not request
27 to be excluded from the Settlement and each Aggrieved Employee's
28 share of the PAGA Settlement, if any. The Settlement Administrator

1 shall use the Class Data to determine Class Members' Workweeks and
2 PAGA Workweeks. The Notice will also advise the Aggrieved
3 Employees that they will release the Released PAGA Claims and will
4 receive their share of the PAGA Settlement regardless of whether they
5 request to be excluded from the Settlement.

6 b) The Notice Packet's mailing envelope shall include the following
7 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
8 ENTITLED TO PARTICIPATE IN A CLASS ACTION
9 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
10 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
11 NOTICE."

12 3. Notice by First Class U.S. Mail and Email. Upon receipt of the Class Data,
13 the Settlement Administrator will perform a search based on the National
14 Change of Address Database to update and correct any known or identifiable
15 address changes. No later than fourteen (14) calendar days after receiving the
16 Class Data from Defendant, the Settlement Administrator shall mail and email
17 copies of the Notice Packet to all Class Members via regular First-Class U.S.
18 Mail and electronic mail. The Settlement Administrator shall exercise its best
19 judgment to determine the current mailing address for each Class Member.
20 The address identified by the Settlement Administrator as the current mailing
21 address shall be presumed to be the best mailing address for each Class
22 Member.

23 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
24 Administrator as non-delivered on or before the Response Deadline shall be
25 re-mailed to any forwarding address provided. If no forwarding address is
26 provided, the Settlement Administrator shall promptly attempt to determine a
27 correct address by lawful use of skip-tracing, or other search using the name,
28 address and/or Social Security number of the Class Member involved, and

1 shall then perform a re-mailing, if another mailing address is identified by the
2 Settlement Administrator. In addition, if any Notice Packets, which are
3 addressed to Class Members who are currently employed by Defendant, are
4 returned to the Settlement Administrator as non-delivered and no forwarding
5 address is provided, the Settlement Administrator shall notify Defendant.
6 Defendant will request that the currently employed Class Member provide a
7 corrected address, and transmit to the Administrator any corrected address
8 provided by the Class Member. Class Members who received a re-mailed
9 Notice Packet shall have their Response Deadline extended fifteen (15) days
10 from the original Response Deadline.

11 5. Disputes Regarding Individual Settlement Payments. Class Members will
12 have the opportunity, should they disagree with Defendant's records regarding
13 the start and end dates of employment to provide documentation and/or an
14 explanation to show contrary dates. If there is a dispute, the Settlement
15 Administrator will consult with the Parties to determine whether an
16 adjustment is warranted. The Settlement Administrator shall determine the
17 eligibility for, and the amounts of, any Individual Settlement Payments under
18 the terms of this Agreement. The Settlement Administrator's determination
19 of the eligibility for and amount of any Individual Settlement Payment shall
20 be binding upon the Class Member and the Parties, except as provided
21 hereinbelow in Paragraph 6.

22 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
23 by the Settlement Administrator concerning the administration of the
24 Settlement will be resolved by the Court under the laws of the State of
25 California. Before any such involvement of the Court, counsel for the Parties
26 will confer in good faith to resolve the disputes without the necessity of
27 involving the Court.
28

1 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
2 Packet shall state that Class Members who wish to exclude themselves from
3 the Settlement must submit a written request for exclusion by the Response
4 Deadline. The written request for exclusion must state that the Class Member
5 wishes to exclude himself or herself from the Settlement and (1) must contain
6 the name, address, and the last four digits of the Social Security number of the
7 person requesting exclusion; (2) must be signed by the Class Member; (3)
8 must be postmarked or fax stamped by the Response Deadline and returned to
9 the Settlement Administrator at the specified address or fax telephone number;
10 and (4) contain a typewritten or handwritten notice stating in substance: "I
11 wish to opt out of the settlement of the class action lawsuit entitled *Abundis*
12 *v. Image 2000, Los Angeles County Superior Court, Case No. 21STCV19193.*
13 I understand that by requesting to be excluded from the settlement, I will
14 receive no money from the Settlement described in this Notice." The request
15 for exclusion will not be valid if it is not timely submitted, if it is not signed
16 by the Class Member, or if it does not contain the name and address and last
17 four digits of the Social Security number of the Class Member. The date of
18 the postmark on the mailing envelope or fax stamp on the request for exclusion
19 shall be the exclusive means used to determine whether the request for
20 exclusion was timely submitted. Any Class Member who requests to be
21 excluded from the Settlement Class will not be entitled to an Individual
22 Settlement Payment and will not be otherwise bound by the terms of the
23 Settlement or have any right to object, appeal or comment thereon. However,
24 any Class Member that submits a timely request for exclusion that is also an
25 Aggrieved Employee will still receive his/her pro rata share of the PAGA
26 Settlement, as specified below, and in consideration, will be bound by the
27 Release by the Aggrieved Employees as set forth herein. Settlement Class
28 Members who fail to submit a valid and timely written request for exclusion

1 on or before the Response Deadline shall be bound by all terms of the
2 Settlement and any final judgment entered in this Action if the Settlement is
3 approved by the Court. No later than fourteen (14) calendar days after the
4 Response Deadline, the Settlement Administrator shall provide counsel for
5 the Parties with a final list of the Class Members who have timely submitted
6 written requests for exclusion. At no time shall any of the Parties or their
7 counsel seek to solicit or otherwise encourage members of the Class to submit
8 requests for exclusion from the Settlement.

- 9 8. Objections. The Notice of Class Action Settlement contained in the Notice
10 Packet shall state that Class Members who wish to object to the Settlement
11 may submit to the Settlement Administrator a written statement of objection
12 (“Notice of Objection”) by the Response Deadline. The postmark date of
13 mailing shall be deemed the exclusive means for determining that a Notice of
14 Objection was served timely. The Notice of Objection, if in writing, must be
15 signed by the Settlement Class Member and state: (1) the case name and
16 number; (2) the name of the Settlement Class Member; (3) the address of the
17 Settlement Class Member; (4) the last four digits of the Settlement Class
18 Member’s Social Security number; (5) the basis for the objection; and (6) if
19 the Settlement Class Member intends to appear at the Final
20 Approval/Settlement Fairness Hearing. Class Members who fail to make
21 objections in writing in the manner specified above may still make their
22 objections orally at the Final Approval/Settlement Fairness Hearing with the
23 Court’s permission. Settlement Class Members will have a right to appear at
24 the Final Approval/Settlement Fairness Hearing to have their objections heard
25 by the Court regardless of whether they submitted a written objection. At no
26 time shall any of the Parties or their counsel seek to solicit or otherwise
27 encourage Class Members to file or serve written objections to the Settlement
28 or appeal from the Order and Final Judgment. Class Members who submit a

1 written request for exclusion may not object to the Settlement. Class Members
2 may not object to the PAGA Settlement.

3 L. Funding and Allocation of the Total Settlement Amount. Defendant is required to pay
4 the Total Settlement Amount on or before the Funding Date, plus any employer's share
5 of payroll taxes as mandated by law within the time specified herein.

6 1. Calculation of Individual Settlement Payments. Individual Settlement
7 Payments shall be paid from the Net Settlement Amount and shall be paid
8 pursuant to the formula set forth herein. Using the Class Data, the Settlement
9 Administrator shall add up the total number of Workweeks for all Class
10 Members. The respective Workweeks for each Class Member will be divided
11 by the total Workweeks for all Class Members, resulting in the Payment Ratio
12 for each Class Member. Each Class Member's Payment Ratio will then be
13 multiplied by the Net Settlement Amount to calculate each Class Member's
14 estimated Individual Settlement Payments. Each Individual Settlement
15 Payment will be reduced by any legally mandated employee tax withholdings
16 (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class
17 Members who submit valid and timely requests for exclusion will be
18 redistributed to Settlement Class Members who do not submit valid and timely
19 requests for exclusion on a pro rata basis based on their respective Payment
20 Ratios.

21 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
22 Class Data, the Settlement Administrator shall add up the total number of pay
23 periods for all Aggrieved Employees during the PAGA Period. The respective
24 pay periods for each Aggrieved Employee will be divided by the total pay
25 periods for all Aggrieved Employees, resulting in the "PAGA Payment Ratio"
26 for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment
27 Ratio will then be multiplied by the Aggrieved Employee Payment to calculate
28 each Aggrieved Employee's estimated share of the PAGA Settlement.

- 1 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
2 Settlement Payments shall be allocated as follows: 33% wages (“Wage
3 Portion”); 67% as penalties and interest (“Non-Wage Portion”).
- 4 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
5 Employee Settlement Payments shall be allocated and treated as 100%
6 penalties and shall be reported on IRS Form 1099.
- 7 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
8 individual shares of the PAGA Settlement made to Settlement Class Members
9 and/or Aggrieved Employees under this Settlement Agreement, as well as any
10 other payments made pursuant to this Settlement Agreement, will not be
11 utilized to calculate any additional benefits under any benefit plans to which
12 any Class Members may be eligible, including, but not limited to profit-
13 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
14 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
15 Parties’ intention that this Settlement Agreement will not affect any rights,
16 contributions, or amounts to which any Class Members may be entitled under
17 any benefit plans.
- 18 6. All monies received by Settlement Class Members under the Settlement which
19 are attributable to wages shall constitute income to such Settlement Class
20 Members solely in the year in which such monies actually are received by the
21 Settlement Class Members. It is the intent of the Parties that Individual
22 Settlement Payments and individual shares of the PAGA Settlement provided
23 for in this Settlement agreement are the sole payments to be made by Defendant
24 to Settlement Class Members and/or Aggrieved Employees in connection with
25 this Settlement Agreement, with the exception of Plaintiff, and that the
26 Settlement Class Members and/or Aggrieved Employees are not entitled to any
27 new or additional compensation or benefits as a result of having received the
28 Individual Settlement Payments and/or their shares of the PAGA Settlement.

- 1 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
2 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members’
3 and/or Aggrieved Employees last known mailing address no later than fifteen
4 (15) calendar days after the Funding Date.
- 5 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
6 Employees shall remain valid and negotiable for one hundred and eighty (180)
7 days from the date of their issuance. If a Settlement Class Member and/or
8 Aggrieved Employee does not cash his or her settlement check within 90 days,
9 the Settlement Administrator will send a letter to such persons, advising that
10 the check will expire after the 180th day, and invite that Settlement Class
11 Member and/or Aggrieved Employee to request reissuance in the event the
12 check was destroyed, lost or misplaced. In the event an Individual Settlement
13 Payment and/or Aggrieved Employee’s individual share of the PAGA
14 Settlement check has not been cashed within one hundred and eighty (180)
15 days, the Settlement Administrator shall escheat those checks to the State
16 Controller’s Office, Unclaimed Property Division in the name of the absent
17 employee.
- 18 9. Class Representative Service Award. In addition to the Individual Settlement
19 Payment and his individual share of the PAGA Settlement to be paid to
20 Plaintiff, Plaintiff will apply to the Court for an award of not more than
21 \$5,000.00, as the Class Representative Service Award. Defendant does not
22 presently intend to oppose a Class Representative Service Award of not more
23 than \$5,000.00 for Plaintiff. The Settlement Administrator shall pay the Class
24 Representative Service Award, either in the amount stated herein if approved
25 by the Court or some other amount as approved by the Court, to Plaintiff from
26 the Total Settlement Amount no later than ten (10) calendar days after the
27 Funding Date. Any portion of the requested Class Representative Service
28 Awards that are not awarded to the Class Representatives shall be part of the

1 Net Settlement Amount and shall be distributed to Settlement Class Members
2 as provided in this Agreement. The Settlement Administrator shall issue an
3 IRS Form 1099 — MISC to Plaintiff for his Class Representative Service
4 Award. Plaintiff shall be solely and legally responsible to pay any and all
5 applicable taxes on his Class Representative Service Award and shall hold
6 harmless the Released Parties from any claim or liability for taxes, penalties,
7 or interest arising as a result of the Class Representative Service Awards. The
8 Class Representative Service Award shall be in addition to Plaintiff's
9 Individual Settlement Payment as a Settlement Class Member. Approval of
10 this Settlement shall not be conditioned on Court approval of the requested
11 amount of the Class Representative Service Award. If the Court reduces or
12 does not approve the requested Class Representative Service Award, Plaintiff
13 shall not have the right to revoke the Settlement, and it will remain binding.

14 10. Class Counsel Award. Defendant understands a motion by Class Counsel for
15 attorneys' fees not to exceed one-third (33.33%) of the Total Settlement
16 Amount currently estimated to be \$158,333.33 plus costs and expenses
17 supported by declaration not to exceed Twenty Thousand Dollars
18 (\$20,000.00), from the Total Settlement Amount will be filed. Any portion of
19 the requested Class Counsel Award that is not awarded to Class Counsel shall
20 be part of the Net Settlement Amount and shall be distributed to Settlement
21 Class Members as provided in this Agreement. The Settlement Administrator
22 shall allocate and pay the Class Counsel Award to Class Counsel from the
23 Total Settlement Amount no later than five (5) calendar days after the Funding
24 Date. Class Counsel shall be solely and legally responsible to pay all
25 applicable taxes on the payment made pursuant to this paragraph. The
26 Settlement Administrator shall issue an IRS Form 1099 — MISC to Class
27 Counsel for the payments made pursuant to this paragraph. In the event that
28 the Court reduces or does not approve the requested Class Counsel Award,

1 Plaintiff and Class Counsel shall not have the right to revoke the Settlement,
2 or to appeal such order, and the Settlement will remain binding.

3 11. PAGA Settlement. Twenty Thousand Dollars (\$20,000.00) shall be allocated
4 from the Total Settlement Amount for settlement of claims for civil penalties
5 under the Private Attorneys General Act of 2004 ("PAGA Settlement"). The
6 Settlement Administrator shall pay seventy-five percent (75%) of the PAGA
7 Settlement (\$15,000.00) to the California Labor and Workforce Development
8 Agency no later than twenty-five (25) calendar days after the Funding Date
9 (hereinafter "LWDA Payment"). Twenty-five percent (25%) of the PAGA
10 Settlement (\$5,000.00) will be distributed to the Aggrieved Employees as
11 described in this Agreement (hereinafter "Aggrieved Employee Payment").
12 For purposes of distributing the PAGA Settlement to the Aggrieved
13 Employees, each Aggrieved Employee shall receive their pro-rata share of the
14 Aggrieved Employee Payment using the PAGA Payment Ratio as defined
15 above.

16 12. Settlement Administration Costs. The Settlement Administrator shall be paid
17 for the costs of administration of the Settlement from the Total Settlement
18 Amount. The estimate of the Settlement Administration Costs is \$20,000.
19 The Settlement Administrator shall be paid the Settlement Administration
20 Costs no later than twenty-five (25) calendar days after the Funding Date.

21 M. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with
22 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
23 twenty-eight (28) days following the expiration of the Response Deadline, which
24 motion shall request final approval of the Settlement and a determination of the
25 amounts payable for the Class Representative Service Award, the Class Counsel
26 Award, the PAGA Settlement, and the Settlement Administration Costs.

27 1. Declaration by Settlement Administrator. No later than seven (7) days after
28 the Response Deadline, the Settlement Administrator shall submit a

1 declaration in support of Plaintiff's motion for final approval of this
2 Settlement detailing the number of Notice Packets mailed and re-mailed to
3 Class Members, the number of undeliverable Notice Packets, the number of
4 timely requests for exclusion, the number of objections received, the amount
5 of the average Individual Settlement Payment and highest Individual
6 Settlement Payment, the Settlement Administration Costs, and any other
7 information as the Parties mutually agree or the Court orders the Settlement
8 Administrator to provide.

9 2. Final Approval Order and Judgment. Class Counsel shall present an Order
10 Granting Final Approval of Class Action Settlement to the Court for its
11 approval, and Judgment thereon, at the time Class Counsel files the Motion
12 for Final Approval. Following the Court's entry of an Order Granting Final
13 Approval of Class Action Settlement, and Judgment thereon, Plaintiff shall
14 provide notice to the California Labor & Workforce Development Agency in
15 accordance with Cal. Lab. Code section 2699(1)(3).

16 N. Defendant's Option to Revoke Settlement. Defendant has the unilateral right to revoke
17 the Settlement and Defendant shall have, in its sole discretion, the option to terminate
18 this Settlement if, after the Response Deadline, the number of Settlement Class
19 Members who submitted timely and valid written requests for exclusion from the
20 Settlement is at least ten percent (10%) of all Settlement Class Members. If Defendant
21 exercises the option to terminate this Settlement, Defendant shall: (a) provide written
22 notice to Class Counsel within five (5) calendar days after (i) providing the Class Data
23 to the Settlement Administrator or (ii) the Settlement Administrator provides
24 information regarding opt outs (which is to occur no later than fourteen (14) calendar
25 days after the Response Deadline, and (b) pay all Settlement Administration Costs
26 incurred up to the date or as a result of the termination; and the Parties shall proceed
27 in all respects as if this Agreement had not been executed
28

- 1 O. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
2 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
3 Final Approval, including the Order Granting Final Approval of Class Action
4 Settlement, and Judgment before filing with the Court. The Parties and their counsel
5 will cooperate with each other and use their best efforts to affect the Court's approval
6 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
7 Judgment.
- 8 P. Cooperation. The Parties and their counsel will cooperate with each other and use
9 their best efforts to implement the Settlement.
- 10 Q. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
11 except such proceedings necessary to implement and complete the Settlement, pending
12 the Final Approval/Settlement Fairness Hearing to be conducted by the Court
- 13 R. Amendment or Modification. This Agreement may be amended or modified only by
14 a written instrument signed by counsel for all Parties or their successors-in-interest.
- 15 S. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
16 Agreement among these Parties, and no oral or written representations, warranties or
17 inducements have been made to any Party concerning this Agreement or its Exhibit
18 other than the representations, warranties and covenants contained and memorialized
19 in this Agreement and its Exhibit, and except as provided in the separate independent
20 individual settlement agreement between Plaintiff and Defendant.
- 21 T. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
22 represent they are expressly authorized by the Parties whom they represent to negotiate
23 this Agreement and to take all appropriate Action required or permitted to be taken by
24 such Parties pursuant to this Agreement to effectuate its terms, and to execute any
25 other documents required to effectuate the terms of this Agreement. The persons
26 signing this Agreement on behalf of Defendant represents and warrants that he/she is
27 authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and
28

warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

U. No Public Comment: The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement Agreement. Class Counsel further agrees not to use the Settlement Agreement or any of its terms for any marketing or promotional purposes. Nothing herein will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Further, Class Counsel will not include, reference or use the Settlement Agreement for any marketing or promotional purposes, either before or after the Motion for Preliminary Approval is filed.

V. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.

W. California Law Governs. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.

X. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts.

Y. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

Z. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of

1 interpreting, implementing and enforcing the settlement and all orders and judgments
2 entered in connection with this Agreement.

3 AA. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
4 the Court shall first attempt to construe the provisions valid to the fullest extent
5 possible consistent with applicable precedents so as to define all provisions of this
6 Agreement valid and enforceable.

7 BB. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently
8 intend to pursue any claims against the Released Parties, including, but not limited to,
9 any and all claims relating to or arising from Plaintiff's employment with Defendant,
10 regardless of whether Class Counsel is currently aware of any facts or legal theories
11 upon which any claims or causes of action could be brought against Released Parties,
12 including those facts or legal theories alleged in the operative complaint in this Action.
13 The Parties further acknowledge, understand and agree that this representation is
14 essential to the Agreement and that this Agreement would not have been entered into
15 were it not for this representation.

16 CC. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
17 certification for purposes of this settlement only.

18 DD. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the
19 Released Claims have merit and give rise to liability on the part of Defendant.
20 Defendant claims that the Released Claims have no merit and do not give rise to
21 liability. This Agreement is a compromise of disputed claims. Nothing contained in
22 this Agreement and no documents referred to and no action taken to carry out this
23 Agreement may be construed or used as an admission by or against the Defendant or
24 Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other
25 than as may be specifically set forth herein, each Party shall be responsible for and
26 shall bear its/his own attorney's fees and costs.

27 EE. Plaintiff's Individual Settlement. Plaintiff is entering into an individual settlement
28 agreement, which shall provide for an Individual Settlement Payment, and which shall

1 provide for a broad release, including a waiver of Civil Code Section 1542. This
2 release, waiver and discharge of all claims shall include, but will not be limited to, any
3 and all claims arising out of the Action, as well as additional claims described in the
4 Individual Settlement Agreement and claims alleged in DFEH Complaint No. 202105-
5 13577117 dated May 17, 2021. The Individual Settlement Agreement shall be
6 confidential, but may be submitted to the Court for in-camera review for purposes of
7 approval of this Settlement.

8 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

9
10 DATED: 1/18/2022

DocuSigned by:
Sergio Abundis
54076B38A2CD4F8...

11 SERGIO ABUNDIS

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14 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT.

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16 DATED: 1/31/2022

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IMAGE 2000, a California Corporation

Joe Blatchford

Printed Name

CEO

Title

IT IS SO AGREED AS TO FORM BY COUNSEL:

24 DATED: 1/18/2022

JCL LAW FIRM, A.P.C.

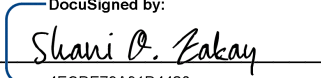
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Attorneys for Plaintiff and the Settlement Class
Members

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DATED: 1/18/2022

ZAKAY LAW GROUP, APLC

By: 
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Attorneys for Plaintiff and the Settlement Class
Members

DATED: 1/31/2022

BRANDON R. MCKELVEY
MEDINA MCKELVEY, LLP

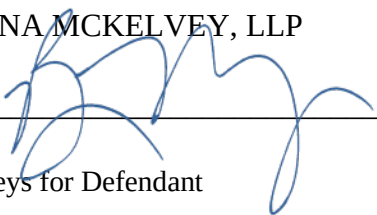
By: 
Attorneys for Defendant

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Abundis, et al., v. Image 2000, County of Los Angeles Superior Court Case No. 21STCV19193)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Los Angeles (the “Court”) has been reached between Plaintiff Sergio Abundis (“Plaintiff”) and Defendant Image 2000, a California Corporation, (hereinafter “Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All persons who worked for Defendant in California as an hourly paid or non-exempt employee during the Class Period.

The “Class Period” is the period of time running from May 20, 2017 to January 21, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 20, 2020, Plaintiff filed a Complaint against Defendant in the Superior Court of the State of California, County of Los Angeles. Plaintiff asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (c) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to reimburse employees for required expenses in violation of Cal. Lab. Code section 2802; (g) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226; (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; (i) failed to pay sick leave and failed to provide paid sick leave balance in violation of Cal. Lab. Code sections 245, *et seq.*; (j) retaliation in violation of Cal. Lab. Code section 1102.5; (k) wrongful termination in violation of public policy; and (l) Violations of the Private Attorney General Act (Cal. Lab. Code §§2698 *et seq.*

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendants paid any members of the class all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

On November 19, 2021, the Parties participated in an all-day mediation with Hon. Brian C. Walsh (Ret.) a respected jurist and an experienced mediator of wage and hour class actions. The mediation concluding with a settlement, after both sides agreed to a Mediator's proposal. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APC to serve as Class Counsel.

3. What are the terms of the Settlement?

Total Settlement Amount. Defendant has agreed to pay an “all in” amount of Four Hundred Seventy-Five Thousand Dollars (\$475,000) (the “Total Settlement Amount”) to fund the settlement. The Total Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel's attorneys' fees and costs, Settlement Administration Expenses, the LWDA Payment, PAGA Shares, and the Class Representative Service Payments to the Plaintiff.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$20,000.00 for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.

- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the Gross Settlement Amount (currently \$158,333.33) and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. Class Counsel's Fees Payment will be divided equally between Class Counsel (50% to Zakay Law Group, APC and 50% to The JCL Law Firm, APC).
- Class Representative Service Payment. Class Representative Service Payment of up to five Thousand Hundred Dollars (\$5,000.00) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A payment of \$20,000 relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$15,000.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$5,000.00 will be distributed to PAGA Employees as part of the Net PAGA Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Class Members"). The Settlement Share for each Participating Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Participating Class Members that occurred during the Class Period and multiplying the result by each individual Participating Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one-day during any such workweek.
- Calculation of PAGA Penalties Payments to PAGA Employees. The Net PAGA Amount shall be distributed to PAGA Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective PAGA Employee during the PAGA Period. "PAGA Employees" means all persons who worked for Defendant in California as an hourly paid or non-exempt employee during the PAGA Period. The PAGA Period means the period of February 8, 2020 to January 21, 2022.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 1/3 of each Settlement Share is allocated to wages. Taxes are withheld from this amount, and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment. 2/3 of each Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid to PAGA Employees, and each PAGA Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability.

You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Participating Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means any and all claims asserted in the operative class complaint, all claims that could have been asserted in the operative complaint based on the same operative facts alleged in the operative complaint, including state wage and hour claims for any and all violation of California's Labor code and Unfair Competition law based on Defendant's failure to pay all wages due (including minimum wages, straight time wages, and overtime wages), failure to provide complaint meal periods, failure to authorize and permit complaint rest periods, failure to provide accurate and itemized wage statements, failure to timely pay all wages due at the time of termination, failure to reimburse employees for all business-related expenses, violations of the Business and Professions Code section 17200 predicated on the Labor Code violations alleged in the operative complaint, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and claims outside the Class Period. The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and upon funding in full of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means any and all claims for PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and claims outside the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> Workweeks worked during the Class Period (May 20, 2017 to January 21, 2022).

Based on this information, your estimated Settlement Share is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (February 8, 2020 to January 21, 2022).

Based on this information, your estimated PAGA Settlement Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____. (800) _____.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is _____. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case ***Abundis, et al., v. Image 2000, Case No. 21STCV19193***." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which ***Abundis, et al., v. Image 2000, Case No. 21STCV19193***. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is _____.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC

Counsel for Defendant:

Brandon R. McKelvey
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Roseville, CA 95678
Tel.: (916) 960-2211
Fax : (916) 742-5488
E-Mail: brandon@medinamckelvey.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on _____**, at the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012, before Judge Yvette M. Palazuelos. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through "LA Court Connect" for a small fee. <https://www.lacourt.org/lacc/>

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____ or write to ***Abundis, et al., v. Image 2000, Case No. 21STCV19193***, Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Participating Class Members who cashed his or her Settlement Share check using the same work shift formula used for distribution of the Net Settlement Amount. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2