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5 Calabasas, CA 91301
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6 Facsimile: (818) 703-8984

7 Attorneys for Plaintiff Crystal Aldana,
on behalf of herself and all "aggrieved employees"

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF LOS ANGELES**

11 CRYSTAL ALDANA, on behalf of herself
12 and all "aggrieved employees" pursuant to
Labor code §2698 et seq.,

13 Plaintiffs,

14 v.

15 BEAUTY SYSTEMS GROUP LLC, a
16 Virginia limited liability company, and
DOES 1 through 10, inclusive,

17 Defendants.
18

Case No. 20TRCV00374

Assigned to the Hon. Gary Y. Tanaka, Dept. B

**DECLARATION OF DANIEL GAINES IN
SUPPORT OF JOINT STIPULATION FOR
APPROVAL OF SETTLEMENT OF
PRIVATE ATTORNEYS GENERAL ACT
CLAIMS**

Action Filed: May 18, 2020

1 I, DANIEL F. GAINES, hereby declare and state as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 a shareholder of Gaines & Gaines, APLC, counsel for Plaintiff Amanda Fowler in this action. I
4 have personal knowledge of the facts set forth herein and if called as a witness to testify to them, I
5 could and would do so competently.

6 2. I obtained my BS degree from the University California at Berkeley in 2003. I
7 majored in Business Administration at the Haas School of Business.

8 3. Thereafter, I attended the University of Virginia School of Law. At Virginia, I was
9 a member of the editorial board of the Virginia Tax Review. I was also the recipient of the Lacy
10 Armour Scholarship, awarded to recognize academic excellence. At Virginia, I focused my studies
11 on tax and real estate. I earned my JD and became a member of the California Bar in 2007.

12 4. Since becoming a member of the Bar, I have practiced law with my partner/father,
13 Kenneth, at Gaines & Gaines, APLC. Our practice specializes in litigation, with an emphasis in
14 business, real estate, and employment disputes like this one. Over 75% of my practice is devoted
15 to complex employment litigation similar to the instant action.

16 5. My firm has represented employees in employment matters such as this one, with
17 an emphasis in wage and hour issues. I have participated in and have been certified as Court-
18 approved class counsel in dozens of class and representative action matters since my admission to
19 the Bar. A true and correct list of the cases in which I have been appointed as class counsel is
20 attached hereto as Exhibit "B".

21 6. On March 9, 2020, Plaintiff complied with the requirements set forth in Labor Code
22 § 2698 *et seq.*, the Labor Code Private Attorneys General Act (hereinafter, "PAGA") by sending a
23 letter, by online submission to the Labor and Workforce Development Agency ("LWDA") and by
24 certified mail to Defendant, setting forth the facts and theories of the violations alleged against
25 Defendant. A true and correct copy of the letter submitted to the LWDA is attached hereto as
26 Exhibit "A".

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1 7. Plaintiff initiated the above-captioned PAGA action on May 18, 2020. Plaintiff
2 alleges, among other things, Defendant failed to: pay all minimum and overtime wages due; provide
3 all meal and rest periods, or premium compensation in lieu thereof; timely pay wages due during
4 employment and at separation of employment; provide suitable seating; and issue complete and
5 accurate wage statements. Plaintiff seeks relief in the form of civil penalties pursuant to PAGA.

6 8. The parties thereafter conducted informal discovery to evaluate the strength of
7 Plaintiff's claims and strength of Defendant's defenses. The discovery included the production of
8 over 6,780 pages of documents, which included Defendant's written policies and procedures
9 relevant to Plaintiff's claims, wage statements, and time and pay records for a 20% random sample
10 of allegedly aggrieved employees whom Plaintiff sought to represent in this action. Defendant also
11 provided information that Plaintiff requested to ascertain the size of the aggrieved employee group
12 and the number of affected pay periods at issue among them.

13 9. Being fully apprised of the value and strength of Plaintiff's claims and Defendant's
14 defenses, the parties participated in a full-day mediation with Lou Marlin, Esq. on June 25, 2021.
15 The action did not settle at mediation. However, the parties continued their settlement discussions.
16 With Mr. Marlin's expert guidance in the weeks following mediation, the parties eventually
17 negotiated a complete settlement of Plaintiff's claims and finalized the terms of their settlement in
18 a written agreement. The parties engaged in arm's-length negotiations throughout.

19 10. Based on the information and documents obtained through informal discovery and
20 during mediation, Plaintiff assessed the maximum value of the PAGA claims (without stacking) to
21 be approximately \$5,500,000 (at the rate of a \$100 penalty for 55,000 pay periods at issue for
22 approximately 2,000 aggrieved employees during the applicable time frame). Defendant denied
23 and disputed all allegations in Plaintiff's complaint and PAGA notice and denied it had committed
24 or was liable for any misconduct, violation, wrongdoing, or any actionable conduct of any kind.

25 11. The amount of the settlement is \$930,000 which represents nearly 17% of the
26 maximum recoverable discretionary penalties and includes an apportionment of attorneys' fees and
27 costs and a general release payment to Plaintiff Aldana.

1 12. The settlement amount represents a fair compromise of the claims based on
2 Plaintiff's and Defendant's evaluations of the case; uncertainty and risk of outcome of further
3 litigation; and the expense, length of, and difficulties inherent in continued proceedings necessary
4 to litigate the disputes through trial and through any possible appeals.

5 13. Attached hereto as Exhibit "C" is a true and correct copy of the parties' Private
6 Attorneys General Act (Labor Code § 2698 *et seq.*) Settlement Agreement.

7 I declare, under penalty of perjury, under the laws of the State of California, that the
8 foregoing is true and correct. Executed this 1st day of October, 2021 at Calabasas, California.

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11 Daniel F. Gaines
12 DANIEL F. GAINES
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EXHIBIT A

GAINES & GAINES

A PROFESSIONAL LAW CORPORATION

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27200 AGOURA ROAD, SUITE 101
CALABASAS, CALIFORNIA 91301

PHONE (818) 703-8985
FAX (818) 703-6984

March 9, 2020

Via Certified Mail

Labor & Workforce Development Agency
By online submission

Beauty Systems Group LLC
3001 Colorado Blvd.
Denton, TX 76210

Defendant mailed certified #70190700000201196151

Agent for Service of Process:
Corporate Creations Network Inc.
11380 Prosperity Farms Road, Suite 221E
Palm Beach Gardens, FL 33410 Agent mailed certified # 70190700000201196168

Re: ***Labor Code Violations of Beauty Systems Group LLC – Compliance Letter of
California Labor Code § 2698 – Private Attorneys General Act***

Dear LWDA:

This office represents Crystal Aldana, a former non-exempt California employee of Beauty Systems Group LLC (“Defendant”). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.*

Herein, we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and other of its non-exempt California employees (“Aggrieved Employees”).

Our client alleges that Defendant failed to properly compute Spiff wages and other non-base hourly wages earned by our client and other Aggrieved Employees into their regular rate of pay for purposes of paying them overtime at the correct rates, in violation of Labor Code §§ 510, 558 and 1194. Defendant failed to properly blend these non-base wages and instead paid our client and other Aggrieved Employees overtime based *only* on the base hourly rate of pay, thus depriving our client and other Aggrieved Employees of all overtime and double time wages earned. Defendant also failed to blend Spiff wages and other non-based hourly base hourly wages earned by our client and other Aggrieved Employees into their sick pay rate yielding an underpayment, in violation of Labor Code §§ 246, 510, 558 and 1194.

Our client alleges that Defendant failed to pay all minimum and overtime wages earned during the course of employment, in violation of Labor Code §§ 510 and 1194, when it rounded down the hours reflected on our client’s and other Aggrieved Employees’ time records to pay fewer hours than were actually worked. On a weekly basis, this rounding deprived our client and other

Aggrieved Employees of significant hours worked. These failures to pay all minimum and overtime wages due constitute violations of Labor Code §§ 510, 558 and 1194.

Defendant failed to pay premium wages to our client and Aggrieved Employees who were denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order No. 4-2001. Our client and Aggrieved Employees were routinely unable to take an off-duty 10-minute rest period for every four (4) hours of work or major fraction thereof, but were not paid premium wages of one hour's pay for each missed rest period. When they were able to take a rest period, they were oftentimes late, cut short, interrupted, or on-duty, in violation Labor Code §§ 226.7, 558 and IWC Wage Order No. 4-2001.

Defendant failed to pay premium wages to our client and Aggrieved Employees who were denied proper meal periods, in violation of Labor Code § 226.7 and 512 and IWC Wage Order 4-2001. Our client and Aggrieved Employees were routinely denied, and not authorized to take, a proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded five hours, or a second proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded ten hours, but were not paid premium wages of one hour's pay for each missed first or second meal period. When they were able to take a meal period, they were late, cut short or interrupted, in violation of Labor Code §§ 226.7, 512, 558 and IWC Wage Order 4-2001.

Defendant failed to provide suitable seats to our client and all California retail store employees. Many job positions reasonably permit the use of seating, but Defendant does not provide it and California retail store employees are not permitted to sit down during the course of their employment. This practice violates California Labor Code § 1198 and Wage Order 4-2001, § 14, which provides as follows: "(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats. (B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties."

Our client further alleges that Defendant failed to provide her and all other Aggrieved Employees with wage statements that fully and accurately itemized the requirements set forth in Labor Code § 226(a). Our client and other Aggrieved Employees were not paid all wages due, as stated above. As such, the wage statements provided by Defendant failed to accurately state all gross wages earned, in violation of Labor Code §§ 226(a)(1) and 226.3, and net wages earned, in violation of Labor Code §§ 226(a)(5) and 226.3.

Our client further alleges that Defendant failed to pay her all wages due at the separation of her employment based on the time frames required by Labor Code §§ 201 and 202. As stated above, our client and other Aggrieved Employees were not paid all wages due during the course of their employment and, as a result of this failure, they were not timely paid all wages due at the separation

Labor & Workforce Development Agency
Beauty Systems Group LLC
Corporate Creations Network Inc.
March 9, 2020
Page 3

of their employment. This violates Labor Code §§ 201-202 and is alleged on behalf of our client and certain Aggrieved Employees.

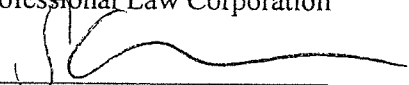
The \$75 PAGA filing fee has been mailed to the LWDA concurrently with the transmission of this letter.

We invite Defendant or its attorney to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Our office awaits your response.

Very truly yours,

GAINES & GAINES
A Professional Law Corporation

By: 

SEPIDEH ARDESTANI

cc: Aaron R. Lubeley, Esq.

EXHIBIT B

Adams v. Newell Rubbermaid, USDC – Central District of California (Los Angeles), Case No. EDCV 08-1499 JTM (CTx)

Adams v. Sam's West, Inc., San Bernardino County Superior Court, Case No. CIVDS1403987

Agredano v. GS Brothers, Inc., Los Angeles County Superior Court, Case No. BC445561

Allen v. Toms Sierra Company, Nevada County Superior Court, Case No. CU18-082823

Allen v. Valley Inventory Service, Inc., Solano County Superior Court, Case No. FCS034682

Alvarez v. Pilot Travel Centers, LLC, San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-4605

Alonzo v. Camblin Steel Service, Inc., Placer County Superior Court, Case No. SCV0034165

Amenhotep v. Google, Inc., Santa Clara County Superior Court, Case No. 17CV311528

Anaya v. Progressive Logistics Services, LLC, Riverside County Superior Court, Case No. RIC1308270

Andre v. Newell Rubbermaid, Inc., San Bernardino County Superior Court, Case No. CIVVS1200282

Anduha v. ABC Phones of North Carolina, Inc., Stanislaus County Superior Court, Case No. 2022729

Anslow v. Wellington Energy, Inc., USDC – Northern District of California (San Francisco), Case No. CV11-1596-JCS

Aranda, et al. v. Universal Lumpers of California, Inc., San Joaquin County Superior Court, Case No. STK-UOE-2017-7826

Armendariz v. Integrated Pain Management Medical Group, Inc., Kern County Superior Court, Case No. BCV-19-100267-SDS

Barrow, et al. v. Desmond Foods, L.P., Sacramento County Superior Court, Case No. 34-2015-00187227

Batmanghelich v. Sirius XM Radio Inc., USDC – Central District of California (Los Angeles), Case No. CV 09-9190 VBF (JCx)

Bosser v. Hooked on Solar, Yolo County Superior Court, Case No. CVCV-2016-876

Bourland v. Horizon Personnel Services, Inc., Sacramento County Superior Court, Case No. 34-2014-00161365-CU-OE-GDS

Bowen v. IMI Material Handling Logistics, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-0000192

Branson v. Mladen Buntich Construction, San Bernardino County Superior Court, Case No. CIVDS1609129

Brandt v. Sacramento Auto Insurance Center, Inc., San Joaquin County Superior Court, Case No. 39-2009-00202938-CU-OE-STK

Brown v. 22nd District Agricultural Association, United States District Court, Southern District of California, Case No. 15-cv-2578-DHB

Brown v. Sierra Central Credit Union, Sutter County Superior Court, Case No. CVCS18-0002161

Burgess v. Blue Cross and Blue Shield of South Carolina, San Joaquin County Superior Court, Case No. 39-2012-00277449-CU-BT-STK

Burgess v. Strategic Retail Solutions, LLC, Los Angeles County Superior Court, Case No. BC413791

Calhoun v. Celadon Trucking Services, Inc., USDC – Central District of California (Los Angeles), Case No. 5:16-cv-01351-PSG-FFM

Caporicci v. Owens & Minor Distribution, Inc., San Joaquin County Superior Court, Case No. 39-2013-00295662-CU-OE-STK

Carl v. Advanced Call Center Technologies, LLC, Sacramento County Superior Court, Case No. 34-2013-00148310

Carlisle, et al. v. Professional Technical Security Services, Inc., Case No. CGC18569791

Carrete v. Gamestop, Inc., Imperial County Superior Court, Case No. ECU08501

Carrillo v. Bimbo Bakeries, Inc., San Bernardino County Superior Court, Case No. CIVDS1606813

Caudillo v. Aegis Treatment Centers, LLC, Merced County Superior Court, Case No. 18CV-0744

Cerami v. Metlife, Inc., USDC – Central District of California (Orange County), Case No. 11-CV-00681-CJC (MLGx)

Charles v. Aaron's Inc., Los Angeles County Superior Court, Case No. BC431468

Charles v. Nursefinders, LLC, Imperial County Superior Court, Case No. ECU07422

Cheifer v. JetBlue Airways Corporation, Los Angeles County Superior Court, Case No. BC451887

Cheifer, et al. v. WHGM, Inc., Los Angeles County Superior Court, Case No. LC104900

Chong, et al. v. Crescent Northwoods Inn, Inc., Del Norte County Superior Court, Case No. CVUJ-2018-1133

Church v. GameStop, Inc., et. al., USDC – Central District of California (Los Angeles), Case No. 11-CV-00132-VAP-RZ

Clothier v. Spar Marketing Services, Inc., Alameda County Superior Court, Case No: RG12-639317

Coleman v. Wireless Lifestyle, Inc., USDC – Western District of Missouri, Case No. 4:12-cv-00855-ODS

Colombo-Beyeler, et al. v. Viking River Cruises, Inc., San Bernardino County Superior Court, Case No. CIVDS1611608

Conlee v. Clark Pacific Corporation, Yolo County Superior Court, Case No. CV14-1409

Contreras v. Osmose Utilities Services, Inc., San Bernardino County Superior Court, Case No. CIVDS1513998

Contreras v. West American Service Corporation, Kings County Superior Court, Case No. 14C0280

Corona v. Yosemite Meat & Locker Service, Inc., Stanislaus County Superior Court, Case No. 2006828

Cortellessa v. Dotnext, Inc., Alameda County Superior Court, Case No. RG09429971

County v. Ingram Mirco, Inc., San Bernardino Superior Court, Case No. CIVRS 1304445

Covarrubias, et al. v. Petersendean Builder Group, Inc., Kern County Superior Court, Case No. BCV-16-101122

Cowen, et al. v. Evergreen Alliance Golf Limited, L.P., d/b/a Arcis Golf, San Bernardino County Superior Court, Case No. CIVDS1719283

Cruz-Garcia v. Lemonade Restaurant Group, LLC, Los Angeles County Superior Court, Case No. BC478205

Cunningham v. Performance Contracting, Inc., Contra Costa County Superior Court, Case No. C16-02157

Dabney v. Coneybeare, LLC, et al., Orange County Superior Court, Case No. 30-2018-00999989-CU-OE-CXC

Dabney, et al. v. Panera, LLC., San Bernardino County Superior Court, Case No. CIVDS1516030

Diaz, et al. v. Seaworld Entertainment, Inc., Imperial County Superior Court, Case No. ECU10046

Diggs v. Western Waterproofing Company, Inc., San Francisco County Superior Court, Case No. CGC-14-539281

Dismuke v. Rhodes Retail Services, Inc., Sacramento County Superior Court, Case No. 34-2011-00105001

Dorsette v. TA Operating, LLC, USDC – Central District of California (Los Angeles), Case No. EDCV 09-1350 PA (RZx)

Duran v. The Image of California, Inc., Kern County Superior Court, Case No. S-1500-CV-284056 DRL

Edwards v. Trans World Entertainment Corp., San Diego County Superior Court, Case No. 37-2010-00095123-CU-OE CTL

Esakhani v. Central Valley Gaming, Stanislaus County Superior Court, Case No. 2020667

Escobar v. SMSSI of California, Inc., San Francisco Superior Court, JCCP No. 4776

Espinosa v. Taltech Construction, et al., Los Angeles County Superior Court, Case No. BC590176

Espinosa v. Bodycote Thermal Processing, Inc., Los Angeles County Superior Court, Case No. BC501617

Espinoza v. Pabco Building Products, LLC, Los Angeles County Superior Court, Case No. VC065660

Estrada v. Net Source Communications, Inc., Los Angeles County Superior Court, Case No. BC431169

Estrada v. OS Restaurant Services, LLC, Santa Clara County Superior Court, Case No. 16CV293249

Estupinan v. Global Development Strategies, Inc., Santa Clara County Superior Court, Case No. 110CV178898

Fadhl. v. Siemens Healthcare Diagnostics Inc., Sacramento County Superior Court, Case No. 34-2017-00209518

Fernandez v. The Regents of the University of California, Los Angeles County Superior Court, Case No. BC656256

Ferrer v. Dish Network Corporation, Los Angeles County Superior Court, Case No. BC441354

Findora v. Barry Callebaut USA LLC, Napa County Superior Court, Case No. 19CV000219

Flores v. Cintas Corporation, Los Angeles County Superior Court, Case No. BC400422

Friel v. Midwest Construction Services, Inc., San Joaquin County Superior Court, Case No. 39-2015-00329204-CU-OE-STK

Gagnon v. Banc of California, Contra Costa County Superior Court, Case No. C 15-00196

Galarza v. Bayou Well Services, LLC, Kern County Superior Court, Case No. S-1500-CV-279372 DRL

Galarza v. C & H Testing Service LLC, Kern County Superior Court, Case No. BCV-15-100008 SPC

Garcia v. Old Dominion Freight Line, Inc., San Bernardino County Superior Court, Case No. CIVDS1404636

Geer v. Applied Aerospace Structures Corp., San Joaquin County Superior Court, Case No. 39-2014-00313702-CU-OE-STK

Getz v. California Cinema Investments, Inc., Ventura County Superior Court, Case No. 56-2013-00437706-CU-MC-VTA

Gibbs v. M. Lehmann Enterprises, Orange County Superior Court, Case No. 30-2013-00678538-CU-OE-CXC

Gilles v. Schaefer Ambulance Service Inc., Imperial County Superior Court, Case No. ECU07970

Goldman, et al. v. Defender's, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-0009973

Gomez v. Low Desert Empire Pizza, Inc., San Bernardino County Superior Court, Case No. CIVVS900392

Gomez v. Pizza Hut of Southeast Kansas, Inc., San Bernardino County Superior Court, Case No. CIVVS900679

Gonzalez v. Harris Farms, Inc., USDC – Eastern District of California (Fresno), Case No. 1:14-cv-00038-LJO-SAB

Guerrero v. Main Electric Supply Company LLC, Ventura County Superior Court, Case No. 56-2019-00525427-CU-OE-VTA

Gutierrez v. Asset Management Specialists, Inc., Fresno County Superior Court, Case No. 12CECG03577

Gutierrez v. Linkus Enterprises, Inc., Madera County Superior Court, Case No. MCV065774

Gutierrez v. Shiekh, LLC, San Bernardino County Superior Court, Case Nos. CIVRS1206525, CIVRS1303408

Hairston v. Stanislaus Surgical Hospital, Stanislaus County Superior Court, Case No. CV-19-000651

Hindman v. Service Quick, Inc., San Bernardino County Superior Court, Case No. CIVDS1724229

Hogan v. iMobile of CA LLC, San Bernardino County Superior Court, Case No. CIVDS1409263

Hogan v. Wireless Evolution Inc., Riverside County Superior Court, Case No. MCC1300669

Hogan v. Wireless That's It! LLC, Riverside County Superior Court, Case No. RIC1201997

Holmes v. Bottling Group, LLC, Stanislaus County Superior Court, Case No. 2022584

Hooper, et al. v. URS Midwest, Inc., et al., San Bernardino Superior Court, Case No. CIVDS1607489

Humphrey v. Freedomroads, LLC, Shasta County Superior Court, Case No. 178228

Hurtado v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC427672

Hyde v. Dent Wizard International Corporation, Sacramento County Superior Court, Case No. 34-2015-00173882

Ibrihim v. Imperfect Foods, Inc., San Joaquin County Superior Court, Case No. STK-VI-UOE-2019-0000846

Id-deen v. Educational Services of America, Solano County Superior Court, Case No. FCS040803

Isherwood v. Mason Dixon Intermodal, Inc., San Joaquin County Superior Court, Case No. 39-2012-00279891-CU-OC-STK

Jahanbin v. Pacific Mercantile Bank, Orange County Superior Court, Case No. 30-2011-00480705CU-OE-CXC

Jenkins v. Sedgwick Claims Management Services, Inc., Los Angeles Superior Court, Case No. LC101648

Job v. California Security Services, Yuba County Superior Court, Case No. 14-0000820

Johnson v. The Goodyear Tire & Rubber Company, USDC – Northern District of California (San Francisco), Case No. 3:13-cv-01069-MMC

Jolin v. Bay Cities Recovery, Inc., El Dorado County Superior Court, Case No. PC20100458

Jordan v. Sutter Memorial Hospital, Stanislaus County Superior Court, Case No. 2023344

Keebaugh v. Mike Thompson Recreational Vehicles, San Bernardino County Superior Court, Case No. CIV-DS-1500718

Kelly v. Robin's Enviro Vac, Inc., Kern County Superior Court, Case No. S-1500-CV-282277
DRL

King v. Levy Premium Foodservice Limited Partnership, Alameda County Superior Court, Case No. HG15786353

Kunsman v. Punch Bowl Sacramento, LLC, et al., Sacramento County Superior Court, Case No. 34-2018-00243175

LaFear v. Encore Education Corporation, San Bernardino County Superior Court, Case No. CIVDS1802251

Lanzarin v. AWI Management Corporation, Solano County Superior Court, Case No. FCS041809

Lee, et al. v. Foster Dairy Farms, Stanislaus County Superior Court, Case Nos. 2006542, 2015679

Lemus, et al. v. Eastridge Workforce Technology, Inc., San Bernardino County Superior Court, Case No. CIV-DS-1611470

Lewis v. American Casino & Entertainment Properties LLC, San Bernardino County Superior Court, Case No. CIVDS1719094

Lemus v. On Assignment Staffing Services, San Bernardino County Superior Court, Case No. CIV-DS-1600497

Leon v. Piercey West Inc., Los Angeles County Superior Court, Case No. BC656874

Lopez v. Creative Communication Technologies, Inc., Imperial County Superior Court, Case No. ECU07851

Lopez v. Go Green Auto Spa Franchise, Inc., et al., Los Angeles County Superior Court, Case No. BC 562212

Lopez v. Truck Accessories Group, LLC, Yolo County Superior Court, Case No. CV13798

Ludlow v. Prince Telecom, LLC, Stanislaus County Superior Court, Case No. 684239

Luna v. Express Locations, LLC, Imperial County Superior Court, Case No. ECU09779

Macias v. American Tire Distributors, Inc., Kern County Superior Court, Case No. BCV-18-101586

Maldonado v. Hardwood Flooring Liquidators, Inc., Los Angeles County Superior Court, Case No. BC642170

Mansfield v. Cambridge Real Estate Services, Inc., Butte County Superior Court, Case No. 160175

Martinez v. DPI Specialty Foods West, San Joaquin County Superior Court, Case No. 39-2015-00327311-CU-OE-STK

Martinez v. Styles For Less, Inc., San Bernardino County Superior Court, Case No. CIVVS1203057

Mayne v. John Muir Behavioral Health, Contra Costa County Superior Court, Case No. C17-00998

Maze v. Bulldog Freightway, Inc., Imperial County Superior Court, Case No. ECU08716

McCormick v. G & O Body Shop, Inc., El Dorado Superior Court, Case No. PC20130291

McCrory v. Campbell Soup Supply Company, San Joaquin County Superior Court, Case No. 39-2013-00297698-CU-OE-STK

McDaniel v. Vancary, Inc., Tulare County Superior Court, Case No. 268036

Melgar-Farela v. Guardian Compliance, Inc., Los Angeles County Superior Court, Case No. BC481865

Mendiola v. Tyco Electronics Corporation, Riverside County Superior Court, Case No. RIC1400721

Mettler v. Les Schwab Tire Centers of California, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-476

Miller v. California Subshine, Inc., Los Angeles County Superior Court, Case No. BC637754

Miller v. Southwest Airlines Co., USDC – Northern District of California (San Francisco), Case No. 3:12-cv-05978-CRB

Mitchell v. Crossmark, Inc., USDC – Central District of California (Los Angeles), Case No. CV 11-2818-JAK (FMOx)

Moghrabi v. Vitaligent, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-1650

Molina v. Berkshire Hathaway Energy Company, et al., Imperial County Superior Court, Case No. ECU000522

Moore v. Horizon Solar Power, Inc., San Bernardino County Superior Court, Case No. CIVDS1410001

Murray v. Select Media Services, LLC, Los Angeles County Superior Court, Case No. BC424506

Myles v. Central Transport LLC, San Bernardino County Superior Court, Case No. CIVDS1401434

Navarro v. Mariana Packing Co., Inc., Solano County Superior Court, Case No. FCS045935

Nehrlich, et al. v. RPM Mortgage, Inc., Orange County Superior Court, Case No. 30-2013-00666783-CU-OE-CXC

Overton v. Hat World, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:11-CV-01645-LKK-KJN

Perez v. Alcatel-Lucent USA Inc., Imperial County Superior Court, Case No. ECU07977

Perez v. Major Gloves and Safety, Inc., San Bernardino County Superior Court, Case No. CIVDS1710445

Perry v. Cardinal Health 200, LLC, Solano County Superior Court, Case No. FCS035303

Phraxayavong-Briones v. RSM, Inc., Sacramento County Superior Court, Case No. 34-2012-00117524

Pugh v. Wi Spa, LLC, Imperial County Superior Court, Case No. ECU07932

Quist v. Knight Transportation, Inc., San Bernardino Superior Court, Case No. CIVDS 1615414

Quitco v. Aviation Fuel Systems Repair, Inc., San Bernardino Superior Court, Case No. CIVRS1302311

Rambeau v. C.C.M. Corporation, et al., Sacramento County Court, Case No. 34-2018-00244842

Rankins v. Roman Empire Living Skills, Inc., Los Angeles County Superior Court, Case No. BC713399

Rees v. Advantel, Incorporated, Santa Clara County Superior Court, Case No. 16-CV-292219

Renfrow v. Janra Enterprises, Inc., Sacramento County Superior Court, Case No. 3402010-00080471

Reynolds v. Diamond Pet Food Processors of Ripon, San Joaquin County Superior Court, Case No. 39-2014-00310818

Richard v. A-Para Transit Corp., Alameda County Superior Court, Case No. HG17870373

Richardson v. TEC Equipment, Inc., et al., Los Angeles County Superior Court, Case No. VC065536

Robles v. North County Health Project Incorporated, San Diego Superior Court, Case No. 37-2014-00001751-CU-OE-NC

Rodas v. Monetary Management of California, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:14 cv 01389 TLN AC

Rodriguez v. 20/20 Plumbing & Heating, Inc., San Bernardino County Superior Court, Case No. CIVDS1705362

Rodriguez v. Commerce Distribution Company, Los Angeles County Superior Court, Case No. BC656259

Rodriguez v. Valley Oak, San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-7980

Roden v. Service Champions, San Bernardino County Superior Court, Case No. CIVDS1613183

Russell v. Bradshaw International, Imperial County Superior Court, Case No. ECU00853

Rutledge, et al. v. Healthport Technologies, LLC, Alameda County Superior Court, Case No. RG16835813

Sabala v. Econtactlive, Inc., Stanislaus County Superior Court, Case No. 684981

Sabatier v. Picture Perfect Installation, Inc., Riverside County Superior Court, Case No. RIC10004953

Salameh v. Sonomaience OPCO, LLC, Sonoma County Superior Court, Case No. SVC264228

Salazar v. Tag-3 Medical Investment Group, LLC, Los Angeles County Superior Court, Case No. BC527698

Salbeck v. Ingredion Incorporated, San Joaquin County Superior Court, Case No. STK-UOE-2017-0012622

Sampson v. Healthnet of California Inc., Sacramento County Superior Court, Case No. 34-2015-00183785-CU-OE-GDS

Sanchez v. Don Roberto Jewelers, Inc., Imperial County Superior Court, Case No. ECU06819

Sanders v. Lionakis, Sacramento County Superior Court, Case No. 34-2017-00223601

Santana v. United Staffing Associates, LLC, Tulare County Superior Court, Case No. 249338

Schrader v. Adidas Promotional Retail Operations, Inc., Los Angeles County Superior Court, Case No. BC414168

Sebrell v. Pomeroy IT Solutions, San Bernardino County Superior Court, Case No. CIVDS1721560

Seymour v. Quest Service Group, LLC, Sacramento County Superior Court, Case No. 34-2017-00206917

Silva v. Trical, San Benito County Superior Court, Case No. CU-16-00218

Simler v. Polly's Inc., Riverside County Superior Court, Case No. RIC 1117862

Sipin, Scott v. Salesforce.com, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2019-0004629

Skuro v. BMW of North America, LLC, USDC – Central District of California (Los Angeles), Case No.: CV 10-8672-GW (FFMx)

Smith v. Steelcase, Inc., San Bernardino County Superior Court, Case No. CIVDS1725850

Sohal v. Foster Poultry Farms, Stanislaus County Superior Court, Case No. 2026605

Solomon v. City of Los Angeles, Los Angeles County Superior Court, Case No. BC570345

Solano v. Vozzcom, Inc., Imperial County Superior Court, Case No. ECU09519

Smith, et al. v. Sente Development, Inc., Sacramento County Superior Court, Case No. 34-2016-00196614

Solorzano v. FDS Manufacturing Corporation, Los Angeles County Superior Court, Case No. BC542532

Solowitz v. BakeMark USA LLC, Los Angeles County Superior Court, Case No. BC467838

Spampinato v. Wind & Sea Restaurants, Inc., San Bernardino County Superior Court, Case No. CIVVS1205154

Spitzer, et al. v. FRHI Hotels & Resorts (Canada) Inc., San Bernardino County Superior Court, Case No. C IVDS1712220

Stephens v. C.S., Inc., Riverside County Superior Court, Case No. PSC1301224

Stevenson v. Harvest Management Sub LLC, Ventura County Superior Court, Case No. 56-2011-00397420-CU-OE-SIM

Thompson v. Continental Labor Resources, Inc. d/b/a Continental Labor & Staffing Resources, Kern County Superior Court, Case No. S-1500-CV-278751-DRL

Thompson v. Sidhu Truck Line, Inc., Kern County Superior Court, Case No. BCV-15-101308-DRL

Tigas v. Ajilon Communications, Los Angeles County Superior Court, Case No. BC409737

Torres v. Coastal Employment Inc., Los Angeles County Superior Court, Case No. BC529207

Tran v. CSP Fiber Services, San Bernardino County Superior Court, Case No. CIVDS172758

Tripp v. California Guest Services, Inc., Plumas County Superior Court, Case No. CV16-00036

Valdez v. Diamond Landscaping, Inc., Los Angeles County Superior Court, Case No. BC497097

Valencia v. American Team Managers, Inc., Orange County Superior Court, Case No. 30-2016-00857365-CU-CR-CXC

Van Son v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC494747

Vasquez v. Schurman Fine Papers, San Joaquin County Superior Court, Case No. STK-CV-LMC-2015-10035

Velasquez v. Modesto Ventures, LLC, Sacramento County Superior Court, Case No. 32-2012-00126159

Victoria v. Bali Limousines Inc., San Mateo County Superior Court, Case No. CIV507774

Victorian v. Vision X, Inc., Los Angeles County Superior Court, Case No. BC400333

Wade v. Frito Lay, Kern County Superior Court, Case No. BCV-17-102014

Walls v. E. & J. Gallo, Stanislaus County Superior Court, Case No. 2015874

Warner v. Waterdrops Express Car Wash, LLC, Tulare County Superior Court, Case No. 265708

Waybright v. EAH, Inc., Stanislaus County Superior Court, Case No. 2011677

Weiss v. C.A.R. Enterprises, Inc., Riverside County Superior Court, Case No. RIC1113165

White v. Sally Beauty Supply, LLC, Imperial County Superior Court, Case No. ECU08177

Williams v. Dennis Dillon RV, LLC, San Bernardino County Superior Court, Case No. CIVDS 16006879

Williams v. Closet World, Inc., Los Angeles County Superior Court, Case No. BC400178

Williams v. Progress Rail Services Corporation, Kern County Superior Court, Case No. S-1500-CV-280236 DRL

Wing v. Three Group, Inc., Los Angeles County Superior Court, Case No. BC643883

Wilson v. ALSCO, Inc., Imperial County Superior Court, Case No. ECU07406

Wilson v. Michael C. Stead, Inc., Contra Costa Superior Court, Case No. C1400135

Winningham v. Storer Transportation Service, San Joaquin County Superior Court, Case No. 39-2015-00324708-CU-STK

Woody v. WBN Home Design, San Bernardino County Superior Court, Case No. CIVDS1613367

Woods, et al. v. F&B Innovations, LLC, San Bernardino County Superior Court, Case No. CIVDS1717765

Woodyard v. Bellus ALC Acquisition, LLC, USDC – Central District of California (Los Angeles), Case No. 2:13-cv-05285 SJO AGRx

Wright v. Social Vocational Services, Inc., Kern County Superior Court, Case No. BCV-15-101264

Ybarra v. New Legend, Inc., Sutter County Superior Court, Case No. CVCS-16-2097

Zaragoza v. Center Automotive, Inc., Los Angeles Superior Court, Case No. BC505194

EXHIBIT C

PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE § 2698 ET SEQ.)
SETTLEMENT AGREEMENT

Crystal Aldana v. Beauty Systems Group, LLC
Los Angeles County Superior Court
Case Number 20TRCV00374

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Parties, subject to the approval of the Court, that the settlement of this action shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or elsewhere herein.

This Agreement is made by and between Defendant Beauty Systems Group LLC (“Defendant”), on one hand, and Plaintiff Crystal Aldana (“Plaintiff”), on behalf of herself, the Aggrieved Employees (defined below), and the State of California, on the other hand (collectively with Defendant and Plaintiff, the “Parties.”)

The Parties agree that all claims, including without limitation representative claims under the California Labor Code Private Attorneys General Act, Labor Code §§ 2698 et seq. (“PAGA”) asserted in *Crystal Aldana v. Beauty Systems Group, LLC*, Los Angeles County Superior Court, case number 20TRCV00374 (the “Litigation” or “Action”) shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendant to pay the sum of Nine Hundred Thirty Thousand Dollars (\$930,000.00) for settlement of the Action on the terms outlined in this Agreement, which sum shall be inclusive of Plaintiff’s attorneys’ fees and costs, a general release payment to Plaintiff Aldana, settlement administration fees, and payments to the State of California and the Aggrieved Employees. The Parties further agree that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability.

Article I.

Definitions.

Section 1.01 Definitions.

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- (a) “Aggrieved Employees” means all individuals who worked for Defendant Beauty Systems Group LLC in California, as hourly and/or non-exempt employees at any time between during the Release Period.
- (b) “Complaint” means all claims, causes of action, and primary rights alleged in the Action.
- (c) “Court” means the Superior Court for the State of California, County of Los Angeles.

- (d) “Defense Counsel” or “Counsel for Defendant” is:

Spencer C. Skeen, Esq.
Marlene M. Moffitt, Esq.
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4370 La Jolla Village Drive, Suite 990
La Jolla, California 92122

- (e) “Effective Date” means the date the Court enters an order and judgment approving and incorporating by reference the terms and conditions of this Agreement.

- (f) “Plaintiff’s Counsel” is:

Alex P. Katofsky, Esq.
Daniel F. Gaines, Esq.
GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
Calabasas, California 91301

- (g) “Release Period” means the time period March 9, 2019 through earlier of October 15, 2021 or the Effective Date.

Article II.

Background.

Section 2.01 **Background.**

- (a) On May 18, 2020, Plaintiff Aldana initiated the Action against Defendant. The Complaint alleges, among other things, Defendant failed to: pay all minimum and overtime wages due; provide all meal and rest periods, or premium compensation in lieu thereof; timely pay wages due during employment and at separation of employment; provide suitable seating; and issue complete and accurate wage statements. The Action seeks relief in the form of civil penalties pursuant to PAGA.
- (b) Defendant denies and disputes all of the allegations in the Complaint and denies it has committed or is liable for any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind. Defendant further denies that any of its current and former employees is an “aggrieved employee” or that Defendant should be held liable to Plaintiff or any other current or former employee as alleged in the Complaint. Defendant contends that, at all times and in good faith, it properly complied with applicable law. Defendant has vigorously defended against the claims in the Complaint and, but for this Settlement, would continue to do so.

- (c) On June 25, 2021, the Parties participated in a full-day mediation with mediator Louis Marlin, an experienced and highly respected PAGA and wage and hour mediator. The Action did not settle at mediation. However, the Parties continued their settlement discussions. With Mr. Marlin's expert guidance, the Parties were eventually able to negotiate a complete settlement of Plaintiff's claims. The terms of the settlement are now set forth in complete and final form in this Settlement Agreement.
- (d) Through the Action, the Parties have engaged in extensive discovery. The Parties reached this settlement only after conducting extensive investigation of the facts and law. The Parties believe and agree this Settlement Agreement provides for a fair, adequate, and reasonable resolution of the Action and have arrived at the settlement after extensive, arms-length negotiations in a full-day private mediation, taking into account all relevant factors, present and potential.
- (e) The Parties and their counsel recognize the expense and length of continued proceedings necessary to litigate the disputes through trial and through any possible appeals. The Parties have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. The Parties and their counsel are aware of the burdens of proof necessary to establish liability for the claims alleged, and the affirmative and other defenses asserted. Thus, reaching this Settlement now has the potential for having a higher value today than it might have later if the litigation were to continue. Based on the foregoing, Plaintiff has determined that the settlement is fair and promotes PAGA's objectives
- (f) Labor Code section 2699(l)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part." Accordingly, the Parties will seek an order from the Court approving this Agreement pursuant to California Labor Code section 2699(l)(2) and entering judgment incorporating by reference the terms and conditions of this Agreement.

Article III.

Approval and Implementation of Settlement.

Section 3.01 Cooperation.

The Parties will cooperate in obtaining, through a stipulation and order, or an unopposed motion, if required, an Order from the Court approving this Agreement at the earliest possible date. Concurrently with the submission of this Agreement to the Court, Plaintiff shall submit it to the LWDA as required by PAGA. The Parties agree to use their best efforts to expedite the preparation and submission of the settlement documents, within the parameters set by the mediator. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be

requested by the Court relating to, or that are otherwise necessary to, the approval and implementation of the payments as described in this Agreement.

The Court's approval of this Agreement shall be embodied in a written order and judgment, which shall be transmitted to the LWDA promptly upon entry, as required by PAGA.

Section 3.02 Settlement Payment Procedures.

(a) Payment of PAGA Settlement Sum and Notice to Aggrieved Employees.

- (1) Defendant agrees to pay a total amount of Nine Hundred Thirty Thousand Dollars (\$930,000.00) to settle this matter. This amount, *i.e.*, the PAGA Settlement Sum, is all-inclusive, meaning it shall cover, resolve, and fully satisfy any and all amounts owed to Plaintiff, the Aggrieved Employees, the State of California, the Settlement Administrator, and Plaintiff's Counsel, including all amounts allocated to attorneys' fees and costs, in settlement of all claims asserted in the Complaint, or that could have been asserted in the Complaint, by Plaintiff, on behalf of herself and the Aggrieved Employees. The Parties agree that there are no circumstances that would require Defendant to pay any amount greater than the PAGA Settlement Sum in connection with this Agreement, with the sole exception as provided for in Section 6.14 below. In the event that this Agreement is canceled, rescinded, terminated, voided or nullified, however that may occur as permitted herein, or the settlement is barred by operation of law, invalidated, or ordered not to be carried out by a court of competent jurisdiction, Defendant shall have no obligation to pay any of the PAGA Settlement Sum and the Parties' respective positions shall be restored to positions prior to mediation. Further, in that event, nothing in this Agreement, the negotiations leading to this settlement, nor any papers prepared in connection with this Agreement shall be admissible in any proceeding for any purpose whatsoever.
- (2) The "Net Settlement Fund" shall be calculated by deducting from the PAGA Settlement Sum up to 35% of the PAGA Settlement Sum (projected to be \$325,500) for the payment of Plaintiff's Counsel's fees; up to \$15,000 for the payment of Plaintiff's Counsel's costs; up to \$10,000 to Plaintiff in exchange for her general release of all claims against Defendant; and up to \$20,000 for Settlement Administration Costs, all as approved by the Court. The Net Settlement Fund will be comprised of approximately \$559,500. Seventy-five percent (75%) of the Net Settlement Fund, or approximately \$419,625, shall be distributed to the State of California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) of the Net Settlement Fund, or approximately \$139,875, shall be distributed to the Aggrieved Employees. This is a non-reversionary settlement, meaning any amount not approved by the Court for Plaintiff's Counsel's fees or costs, Plaintiff's general release payment, and/or Settlement Administration Costs, shall be added to the Net Settlement Fund for distribution as provided for herein.
- (3) Payments to Aggrieved Employees. The twenty-five percent (25%) of the Net Settlement Fund to be distributed to the Aggrieved Employees will be divided by the total number of pay periods worked by all of them in California during the Release Period to yield the Pay Period Value. Each Aggrieved Employee will be paid an amount equal to their

individual number of pay periods worked in California during the Release Period multiplied by the Pay Period Value.

- (4) This Settlement shall not be submitted to the Court any earlier than October 1, 2021. Upon the later of thirty (30) business days after the Effective Date or fourteen (14) business days of the Settlement Administrator establishing a Qualified Settlement Fund pursuant to this Agreement, Defendant shall pay the entire PAGA Settlement Sum into the Qualified Settlement Fund established by the Settlement Administrator. Payment shall be made via wire, bank transfer or other means acceptable to the Settlement Administrator on or before the scheduled due date. The Settlement Administrator will provide to Defendant's attorney a W-9 form for the Qualified Settlement Fund prior to its funding of the Settlement Sum.
- (5) The Settlement Administrator shall disburse the PAGA Settlement Sum to: (a) Aggrieved Employees; (b) the LWDA; (c) Plaintiff; (d) Plaintiff Counsel; and (e) itself, no later than fifteen (15) business days after Defendant's deposit of the PAGA Settlement Sum. The Settlement Administrator shall transmit the Notice of PAGA Settlement (in substantially the same form as Exhibit "A" attached hereto), together with settlement checks containing their individual settlement amounts, with no claims process required, to all Aggrieved Employees by first-class United States mail, postage prepaid, to the last known address of each recipient with directions to the Postmaster to forward the Notice of PAGA Settlement and return all undeliverable Notices. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days after their issuance. After the 180 day-period, the Settlement Administrator shall remit any unclaimed funds to the California Secretary of State's Unclaimed Property Division, to be held in the name of, and for the benefit of, each such Aggrieved Employee.
- (6) All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which an IRS Form 1099 will be issued and no withholdings will be made.

Section 3.03 Settlement Administration Costs.

The Parties will retain ILYM Group, Inc. as the third-party settlement administrator ("Settlement Administrator"). The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing notices, payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff's Counsel, pursuant to this Settlement Agreement and as approved by the Court. Settlement Administration Costs shall include all costs of administering the settlement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees associated with preparing, issuing and mailing any and all notices and other correspondence to

Aggrieved Employees; all costs and fees associated with communicating with Aggrieved Employees, Plaintiff's Counsel, and Defendant's Counsel; all costs and fees associated with computing, processing, reviewing, and paying payments to Aggrieved Employees; costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency; and any other cost and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement. The Settlement Administration Costs shall be paid from the PAGA Settlement Sum. Settlement Administration Costs are estimated to be \$20,000.

Article IV.

Limitations On Use Of This Settlement.

Section 4.01 No Admission.

This Agreement and compliance with this Agreement shall not be construed as an admission by Defendant of any liability whatsoever, or as an admission by Defendant of any violations of Plaintiff's or Aggrieved Employees' rights, violation of any order, law, statute, duty or contract whatsoever. Defendant specifically disclaims any liability to Plaintiff or any other allegedly aggrieved employee for any alleged violation of his/her rights, or for any alleged violation of any order, law, statute, duty or contract. Defendant further denies that, for any purpose other than settling these matters, that this action is appropriate for representative treatment.

Section 4.02 Non-Evidentiary Use.

This Agreement is admissible for purposes of obtaining court approval of the settlement and is intended to be binding on the Parties. It is also admissible in the event that either Party is required to file a motion to enforce any of the terms of the Agreement. Neither this Agreement, nor any of its terms, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or anything else associated with it, shall be offered or used as evidence by any of the Parties, or their respective counsel in the Litigation or in any other action or proceeding, including to establish any liability or admission on the part of Defendant or any Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any Aggrieved Employees.

Section 4.03 Nullification.

In the event (i) the Court does not approve this Agreement, or (ii) the Court's order and judgment approving and incorporating this Agreement does not become final, then this Agreement, and any documents generated to bring it into effect, will be null and void in their entirety and the

Parties will return to their original respective positions, unless otherwise agreed upon in writing between the Parties.

Article V.

Release and Waiver of Claims.

Section 5.01 Limited Release By Aggrieved Employees.

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, the LWDA and Plaintiff, on behalf of herself, her heirs, executors, and assigns, and the Aggrieved Employees, shall be deemed to have fully, finally, and forever released, relinquished, and discharged Defendant, and each of its present and former affiliates, parent companies, subsidiaries, divisions, successors, predecessors, and assigns, and each of its respective past and present shareholders, officers, partners, directors, current and former employees, agents, attorneys, insurers, successors, assigns, representatives, accountants, and all persons acting under, by, through, or in concert with any of them (collectively, "Released Parties") from any and all claims, rights, demands, liabilities, primary rights, and causes of action of every nature and description, under PAGA, which were asserted in the Complaint and Plaintiff's PAGA notice to the LWDA under Labor Code § 2699.3 ("PAGA Notice"), or which could have been asserted in the Complaint or PAGA Notice based on the facts pled therein ("Released Claims") that accrued during the Release Period.

Section 5.02 General Release By Plaintiff Aldana.

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, and the fullest extent permitted by law, Plaintiff Aldana shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, obligations, demands, actions, rights, causes of action, primary rights, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code Section 1542, arising through the date of her signature hereon, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief. These claims include, but are not limited to: (1) the Released Claims; (2) the Action and any claims arising out of or related to the Action; (3) any claims under federal, state or local law (all as amended) that could have been asserted in any legal action or proceeding against Defendant, including any claims under any provision of the California Labor Code California Industrial Welfare Commission Wage Orders, California Fair Employment and Housing Act; California Government Code; California Corporations Code, California Business and Professions Code; California Civil Code; California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 *et seq.*; Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*; Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 *et seq.*; Fair Labor Standards Act; National Labor Relations Act, and all of their implementing regulations and interpretive guidelines; (4) wrongful termination, discrimination, harassment, and/or retaliation, lost wages,

benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, including but not limited to violations of the California Fair Employment and Housing Act, Age Discrimination in Employment Act "ADEA;" (5) unlawful or tortious conduct such as assault or battery; background check violations; defamation; detrimental reliance; fiduciary breach; fraud; indemnification; intentional or negligent infliction of emotional distress; interference with contractual or other legal rights; invasion of privacy; loss of consortium; misrepresentation; negligence (including negligent hiring, retention or supervision); personal injury; promissory estoppel; public policy violation; retaliatory discharge; safety violations; posting or records-related violations; wrongful discharge; or other federal, state or local statutory or common law matters; and (6) and any other form of relief or remedy of any kind, nature, or description whatsoever, whether premised on statute, contract, tort, or other theory of liability under state, federal, or local law. Provided, however, this release shall not include any claims for workers' compensation benefits.

With respect to these released claims as described in this Section, Plaintiff Aldana shall be deemed to have expressly acknowledged, waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

Plaintiff expressly waives the provisions of Section 1542 with full knowledge and with the specific intent to release all known or unknown, suspected or unsuspected, claims arising on or before the Effective Date of this Agreement, and therefore specifically waives the provisions of any statute, rule, decision, or other source of law of the United States or of any state of the United States or any subdivision of a state which prevents release of unknown claims.

Article VI.

Miscellaneous Provisions.

Section 6.01 Voluntariness.

This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of any of the Parties, or of any other person, firm or other entity.

Section 6.02 Amendments.

The terms and provisions of this Agreement may be amended only by a written agreement that is both (a) signed by the Plaintiff, Plaintiff's Counsel, Defendant and Defendant's Counsel, and (b) approved by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated otherwise.

Section 6.03 Assignment.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, Plaintiff's Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel hereto. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person. Plaintiff expressly warrants that she has not transferred to any person or entity any right or cause of action, or claim released by this Agreement.

Section 6.04 Governing Law.

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California.

Section 6.05 Entire Agreement.

This Agreement contains the entire understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Litigation.

Section 6.06 Waiver of Compliance.

Any failure of any Party, Defense Counsel, and/or Plaintiff's Counsel hereto to comply with any obligation, covenant, agreement, or condition herein may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel hereto entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.07 Counterparts.

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Facsimile, pdf, or other copies of signatures of any Party hereto, including by DocuSign, shall be deemed to be an original signature for all purposes.

Section 6.08 Attorneys' Fees and Costs.

With respect to this Agreement, neither Plaintiff's Counsel nor any other attorneys acting for, or purporting to act for the Aggrieved Employees, or Plaintiff may recover or seek to recover any amounts for fees, costs, or disbursements from the Released Parties or the PAGA Settlement Sum except as expressly provided herein. Defendant shall bear its own attorney's fees and costs, and neither Plaintiff's Counsel, Aggrieved Employees or the Plaintiff shall be responsible for Defendant's attorney's fees and costs. If any party moves the Court to enforce this

Agreement, the prevailing party shall be entitled to recover from the other party all attorneys' fees and costs incurred to enforce this Agreement.

Section 6.09 Dispute(s).

Should any dispute(s) arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, but excluding any dispute related to non-payment or late payment of the PAGA Settlement Sum, the Parties agree to submit any such dispute(s) first to mediation and/or continued negotiations before mediator Louis Marlin, and then, if unsuccessful, to the Los Angeles County Superior Court. To the extent any Party seeks to enforce any of the terms of this Agreement in Court or before the Court, the prevailing party shall be entitled to recover her/its/their reasonable attorneys' fees and costs.

Section 6.10 Binding.

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

Section 6.11 Court's Retention of Jurisdiction.

The Court shall retain jurisdiction, pursuant to Code of Civil Procedure section 664.6 and otherwise as permitted by law, to enforce this Settlement.

Section 6.12 Default; Notice; Cure; Acceleration; Time is of the Essence.

If any required payment is not received on the date due, Defendant shall be in default of its obligations under this Settlement. Plaintiff shall e-mail notice of the default to Defendant at spencer.skeen@ogletree.com and marlene.moffitt@ogletree.com. Defendant will then have seven (7) calendar days from the date notice is e-mailed to cure the default. If the default remains uncured for ten (10) calendar days, then all sums remaining unpaid under this Settlement shall be accelerated and become all due and payable and begin to accrue interest at the legal rate. Plaintiff may thereafter move the Court, pursuant to Code of Civil Procedure 664.6, for entry of a judgment against Defendant to reflect this acceleration, the accrual of interest, plus actual attorneys' fees and costs incurred to enforce the judgment and this Settlement. Time is of the essence with respect to all provisions of this Agreement.

Section 6.13 Authority.

Each Party to this Agreement expressly represents and warrants to have the authority necessary to execute this Agreement. Each person signing this Agreement on behalf of a corporation represents that he or she has the authority to agree to the terms hereof and execute this Agreement on behalf of said entity in accordance with the bylaws of such entity and that his or her signature will bind the entity to the terms of this Agreement.

Section 6.14 Escalator Clause.

This settlement is based on Defendant's representation that there were approximately 55,000 pay periods at issue as of June 25, 2021. If the actual number of pay periods as of the

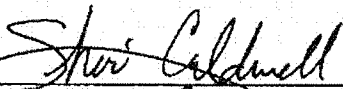
Release Period is 5% higher or more (i.e., over 57,750 pay periods), Defendant shall pay an increased PAGA Settlement Sum proportionate to the increase over the 5% threshold. (For example, if the actual number of pay periods or Aggrieved Employees is 6% greater than the amount represented, the PAGA Settlement Sum will increase by 1%, with the larger percentage controlling any increase).

IN WITNESS WHEREOF, the Parties have executed this Private Attorneys General Act Settlement Agreement on the date set forth.

APPROVED AND ACCEPTED.

Dated: October 1, 2021

BEAUTY SYSTEMS GROUP LLC

By 
Its Deputy General Counsel

Dated: October 1, 2021

By _____
CRYSTAL ALDANA

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: October 1, 2021

GAINES & GAINES, ALPC

By _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Effective Date is 5% higher or more (i.e., over 57,750 pay periods), Defendant shall pay an increased PAGA Settlement Sum proportionate to the increase over the 5% threshold. (For example, if the actual number of pay periods or Aggrieved Employees is 6% greater than the amount represented, the PAGA Settlement Sum will increase by 1%, with the larger percentage controlling any increase).

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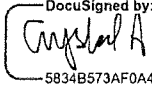
APPROVED AND ACCEPTED.

Dated: October 1, 2021

BEAUTY SYSTEMS GROUP LLC

By _____
Its _____

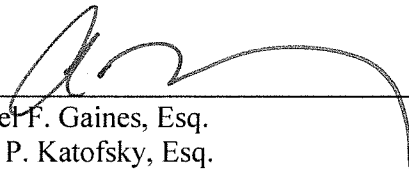
Dated: October 1, 2021

By  _____
CRYSTAL ALDANA

**APPROVED AS TO FORM AND
ATTORNEY OBLIGATIONS ONLY**

Dated: October 1, 2021

GAINES & GAINES, ALPC

By  _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Attorneys for Plaintiff

Dated: October 1, 2021

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By _____

Spencer C. Skeen, Esq.
Marlene M. Moffitt, Esq.
Attorneys for Defendant

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

CRYSTAL ALDANA, on behalf of herself
and all “aggrieved employees” pursuant to
Labor Code § 2698 *et seq.*,

Plaintiffs,

v.

BEAUTY SYSTEMS GROUP LLC, a
Virginia limited liability company, and
DOES 1 through 10, inclusive,

Defendants.

Case No. 20TRCV00374

**NOTICE OF SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIM
(CAL. LABOR CODE § 2698 *ET SEQ.*)**

You have been identified as an hourly and/or non-exempt employee of Beauty Systems Group LLC (“Defendant”) who was employed in California at some time between March 9, 2019 and [RELEASE PERIOD END DATE] (“Aggrieved Employee”).

On May 18, 2020, Plaintiff Crystal Aldana (the “Plaintiff”) commenced a lawsuit in the Los Angeles County Superior Court, case number 20TRCV00374 (the “Lawsuit”) to recover civil penalties based on various Labor Code violations. Plaintiff alleges, among other things, Defendant failed to pay all minimum and overtime wages due; provide all meal and rest periods, or premium compensation in lieu thereof; timely pay wages during employment and at separation of employment; provide suitable seating; and issue complete and accurate wage statements. For these alleged violations, Plaintiff seeks penalties pursuant to the California Labor Code’s Private Attorneys General Act of 2004, codified at Labor Code § 2698 *et seq.* (“PAGA”).

Defendant denies Plaintiff’s allegations and disputes all of Plaintiff’s claims. The Lawsuit was litigated extensively. Following an investigation and full-day mediation before a third-party mediator, the Parties reached a settlement which takes into account the uncertainties and risks of proceeding with litigation.

The Court approved the settlement on [insert date of entry of order approving settlement] and has determined that the settlement is fair and reasonable. A portion of the settlement is being paid to the government and a portion is being to each Aggrieved Employee. Aggrieved Employees, including you, are receiving a portion of the settlement based on the number of pay periods actually worked for Defendant in California from March 9, 2019 to -[RELEASE PERIOD END DATE] (the “Release Period”).

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon the Effective Date and Defendant's payment of the PAGA Settlement Sum, the LWDA and Plaintiff, on behalf of herself, her heirs, executors, and assigns, and the Aggrieved Employees, shall be deemed to have fully, finally, and forever released, relinquished, and discharged Defendant, and each of its present and former affiliates, parent companies, subsidiaries, divisions, successors, predecessors, and assigns, and each of its respective past and present shareholders, officers, partners, directors, current and former employees, agents, attorneys, insurers, successors, assigns, representatives, accountants, and all persons acting under, by, through, or in concert with any of them (collectively, "Released Parties") from any and all claims, rights, demands, liabilities, primary rights, and causes of action of every nature and description, under PAGA, which were asserted in the Complaint and Plaintiff's PAGA notice to the LWDA under Labor Code § 2699.3 ("PAGA Notice"), or which could have been asserted in the Complaint or PAGA Notice based on the facts pled therein ("Released Claims") that accrued during the Release Period.

The payment which accompanies this notice is made to you pursuant to the terms of the Settlement. You will not be retaliated against for cashing the check. It is entirely up to you if you cash your check or not. Checks that are not cashed within 180 days of issuance will be transmitted to the California Secretary of State's Unclaimed Property Division, to be held on your behalf. Regardless of what you do with the check issued to you, by law and Court order, you will be deemed to have released the Released Parties from the Released Claims described above.

Your payment under this settlement is considered penalties and will be reported to the IRS and state tax authorities. You will receive an IRS Form 1099 pertaining to your payment if required by law. You are responsible for payment of any and all taxes that are due as a result of this payment.

Do not call or write the Court or Office of the Clerk to ask questions about the settlement.

If you have any questions, you may call or write the Settlement Administrator, at the following number or address: [insert address and telephone number for Settlement Administrator].

1 **PROOF OF SERVICE AND CERTIFICATION**

2 I am employed in the County of Los Angeles State of California. I am over the age of 18 and not a party to the
3 within action; my business address is 27200 Agoura Road, Suite 101, Calabasas, CA 91301

4 _____ (For messenger) my business address is:

5 On October 4, 2021, I served the foregoing document described **DECLARATION OF DANIEL GAINES IN**
6 **SUPPORT OF JOINT STIPULATION FOR APPROVAL OF SETTLEMENT OF PRIVATE ATTORNEY**
7 **GENERAL ACT CLAIMS** on the interested parties in this action by placing a true copy thereof enclosed in sealed
8 envelopes addressed as follows:

9 **Spencer C. Skeen, Esq.**
10 **Marlene M. Moffitt, Esq.**
11 **Nikolas T. Djordjevski, Esq.**
12 **Yousaf M. Jafri, Esq.**
13 **OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.**
14 **4370 La Jolla Village Drive, Suite 990**
15 **San Diego, CA 92122**

16 On the above date:

17 X (BY x U.S. MAIL/ BY ☐ CERTIFIED MAIL, RETURN RECEIPT REQUESTED) The sealed envelope was
18 mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing
19 correspondence for mailing. It is deposited with United States postal service on that same day in the ordinary course of
20 business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage
21 meter date is more that one day after date of deposit for mailing in affidavit.

22 _____ (BY FEDERAL EXPRESS OR OTHER OVERNIGHT SERVICE) I deposited the sealed envelope in a box or
23 other facility regularly maintained by the express service carrier or delivered the sealed envelope to an authorized
24 carrier or driver authorized by the express carrier to receive documents.

25 _____ (BY FACSIMILE TRANSMISSION) On _____, at _____ a.m./p.m., at Calabasas, California, I
26 served the above-referenced document on the above-stated addressee by facsimile transmission pursuant to Rule 2008
27 of the California Rules of Court. The telephone number of the sending facsimile machine was (818)703-8984 and the
28 telephone number(s) of the receiving facsimile machine was () ____-____. A transmission report was properly
issued by the sending facsimile machine, and the transmission was reported as complete and without error. Copies of
the facsimile transmission cover sheet and the transmission report are attached to this proof of service.

_____ (BY ELECTRONIC SERVICE) The above-stated document was submitted for service by electronic
transmission via email on the counsel of record listed above.

 X (UPLOADED TO LWDA WEB PORTAL) I caused the above-described document to be delivered to the
Labor & Workforce Development Agency via online process at the PAGA Filing website (www.dir.ca.gov) in
accordance with the procedure imposed by the LWDA.

I certify that the above document was printed on recycled paper.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 4, 2021, at Calabasas, California.

27 
28 _____
JEREMY REYES