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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

AMELIA SALAS GURROLA, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

ELLIOTT AUTO SUPPLY CO., INC., a
Minnesota corporation; and DOES 1 through 100,

Defendants.

Case No.: 37-2020-00015368-CU-OE-CTL

*[Assigned for all purposes to Hon. Loren G.
Freestone; Dept. C-64]*

**DECLARATION OF PAUL K. HAINES
IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: August 11, 2023
Time: 10:30 a.m.
Dept.: C-64

Reservation Number: 2960950

Complaint Filed: May 26, 2020
Trial Date: None Set

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I, Paul K. Haines, declare as follows:

1. I am the principal of Haines Law Group, APC and counsel for the named Plaintiff Salas Gurrola (“Plaintiff”) and the proposed Settlement Class in the above-captioned case. I am a member in good standing of the bar of the State of California and am admitted to practice law in this Court. I have personal knowledge of the facts stated in this declaration and could competently to them if called upon to do so.

2. I am a 2006 graduate of Pepperdine University School of Law, where I graduated *ude*. During law school, I worked as a law clerk for the appellate firm of Horvitz & Levy, in Encino, California. I also spent a semester in law school working as an extern for the Honorable Edward Rafeedie, District Judge for the United States District Court for the Central District of California.

3. Since graduating from law school, my practice has focused almost exclusively on employment litigation. In September 2007, I began working as an associate attorney at the national law firm of Littler Mendelson, P.C. at its Los Angeles office, which according to its website is the “largest U.S.-based law firm exclusively devoted to representing management in all aspects of labor and employment law.” While at Littler Mendelson, I was primarily staffed on wage and hour class actions in both state and federal courts, and I also worked on a number of individual and multi-plaintiff wage and hour matters as well.

4. During my employment at Littler Mendelson, I played a significant role in the class that I was staffed on, as I was often the only associate staffed on such cases. In particular, I gained a wide array of wage and hour class action experience performing the following types of tasks: drafting demurrers, motions to strike, and motions to dismiss; removing actions from state court to federal court; drafting and responding to written discovery; drafting and opposing summary judgment motions; arguing discovery related motions; drafting motions to consolidate matters; interviewing putative class members and obtaining declarations in connection with class certification; drafting oppositions to motions for class certification; drafting motions for class certification following class certification; conducting exposure analyses to assess the

1 strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification, and
2 potential damages resulting from such claims; drafting mediation briefs; serving as the primary
3 contact to in-house counsel; deposing named plaintiffs and putative class members; deposing
4 retained expert witnesses; and defending the depositions of corporate witnesses. In short, I played
5 an integral role in all aspects of litigation from the inception of a matter through and beyond class
6 certification. I also supervised the work of several junior attorneys who were staffed on the same
7 wage and hour class actions.

8 5. In June 2011, I voluntarily resigned from Littler Mendelson in order to accept an
9 associate attorney position with the international law firm of Morgan, Lewis & Bockius LLP at
10 its Los Angeles office, where I began working in July 2011. During my employment at Morgan,
11 Lewis & Bockius LLP, I worked exclusively on the defense of wage and hour class and collective
12 actions. For the vast majority of these cases, I was the only associate staffed on the matters, and I
13 performed the same job duties as described in the immediately preceding paragraph. In addition
14 to working on wage and hour class actions, at Morgan, Lewis & Bockius I also worked on a
15 number of “hybrid” actions asserting nationwide wage and hour claims under the Fair Labor
16 Standards Act, as well as California-specific claims under Rule 23 of the Rules of Civil Procedure.

17 6. In July 2012, I transitioned into litigating wage and hour class actions from the
18 Plaintiff’s side, first as a Partner with the law firm of Boren, Osher & Luftman, LLP, and since
19 February 2016 as a Shareholder of Haines Law Group, APC. Currently, over ninety percent (90%)
20 of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and my
21 law firm is currently responsible for prosecuting over fifty (50) wage and hour class actions filed
22 in both State and Federal courts throughout California. I have been appointed as Class Counsel in
23 over one hundred (100) wage and hour class action settlements in state and federal courts within
24 California. Some examples of the matters in which I have been appointed as Class Counsel, all of
25 which have been granted final approval, include the following: *Shaw v. Conant Auto Retail, San*
26 *Diego*, Case No. 37-2014-00044052-CU-OE-CTL, California Superior Court, County of San
27 Diego, Hon. Judge Joan M. Lewis, presiding; *Tirado v. Ricon Corp.*, Case No. BC537042,
28 California Superior Court, County of Los Angeles, Hon. John S. Wiley, presiding; *Horta v.*

1 *Searles Valley Minerals, Inc.*, Case No. CIVDS 1507615, California Superior Court, County of
2 San Bernardino, Hon. Donald Alvarez presiding; *Rodriguez v. Spartan, Inc.*, Case No. BCV-15-
3 100007-DRL, California Superior Court, County of Kern, Hon. David R. Lampe presiding;
4 *Kostyuk, et al. v. Golden State Overnight Delivery Service, Inc.*, Case No. RG14727191,
5 California Superior Court, Alameda County, Hon. Winifred Y. Smith presiding; *Leverage, et al*
6 *v. Traeger Pellet Grills, LLC, et al*, Case No. 16-cv-00784-KAW, United States District Court for
7 the Northern district of California, Hon. Kandis A. Westmore presiding; *Nunez v. CompuCom*
8 *Systems, Inc.*, Case No. BC618385, California Superior Court, County of Los Angeles, Hon. John
9 Shepard Wiley, Jr., presiding; *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191,
10 California Superior Court, County of Los Angeles, Hon. William F. Highberger presiding;
11 *Rodrigues v. CP Kelco U.S., Inc.*, Case No. 37-2017-00004339-CU-OE-CTL, California Superior
12 Court, County of San Diego, Hon. Joel R. Wohlfeil, presiding; *Beach-Barrow, et al v. The Hertz*
13 *Corp.*, Case No. RG17848833, California Superior Court, County of Alameda, Hon. Ioana Petrou
14 presiding; *Gooding v. Vita-Mix Corp., et al*, Case No. 2:16-cv-03898-ODW (JEMx), United States
15 District Court for the Central District of California, Hon. Otis D. Wright II presiding; *Afa, et al v.*
16 *Alliance Ground Int'l, LLC*, Case No. BC661449, California Superior Court, County of Los
17 Angeles, Hon. William F. Highberger presiding.

18 7. I have also moved to certify and have received an order certifying a class action
19 and/or conditionally certifying a collective action in the following cases:

- 20 • *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-
21 CXC, California Superior Court, County of Orange, Honorable Judge Gail A. Andler,
22 presiding (certifying a class of employees who were misclassified as independent
23 contractors);
- 24 • *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United
25 States District Court, Central District of California, Honorable Judge Beverly Reid
26 O'Connell, presiding (conditionally certifying an unpaid FLSA overtime wage class);
- 27 • *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States
28 District Court, Central District of California, Honorable Judge John F. Walter, presiding

- (certifying rest period class and conditionally certifying FLSA unpaid overtime class);
- *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court, Northern District of California, Honorable Judge Haywood S. Gilliam, Jr., presiding (conditionally certifying an unpaid FLSA overtime wage class);
 - *Vega v. Weatherford U.S., Limited Partnership*, Case No. CV14-1790-JLT, United States District Court, Eastern District of California, Honorable Jennifer L. Thurston, presiding (conditionally certifying an unpaid FLSA overtime wage class);
 - *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge William Claster, presiding (certifying unpaid overtime wage class and waiting time penalty class);
 - *Camacho v. Residential Fire Systems, Inc.*, Case No. 30-2015-775372-CU-OE-CXC, California Superior Court, County of Orange, Honorable Glenda Sanders, presiding (certifying piece rate pay plan classes, expense reimbursement class, wage statement class, and waiting time penalties class);
 - *Ontiveros v. Safelite Fulfillment, Inc., et al*, Case No. CV 15-7118-DMG (RAOx), United States District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six classes of employees for rest period violations, wage statement violations, meal period violations, and overtime and double-time violations);
 - *Vazquez, et al v. Kraft Heinz Foods Company*, Case No. 16-cv-2749-WQH-BLM, United States District Court, Southern District of California, Honorable William Q. Hayes presiding (certifying six classes of employees for unpaid wages, meal period violations, wage statement violations, and waiting time penalties);
 - *Caudle, et al. v. Sprint/United Management Company, et al.* Case No. C 17-06874-WHA, United States District Court, Northern District of California, Honorable William H. Alsup presiding (certifying three classes of employees for unlawful wage deduction violations, wage statement violations, and waiting time violations);

- 1 • *Staublein v. Wells Fargo Bank, N.A.*, Case No. CIVDS1712267, California Superior
2 Court, County of San Bernardino, Honorable David Cohn presiding (certifying a wage
3 statement class);
- 4 • *Perez v Sunbelt Rentals, Inc.*, Case No. Case No. 37-2018-00026405-CU-OE-CTL,
5 California Superior Court, County of San Diego, Honorable Eddie C. Sturgeon, presiding
6 (certifying wage statement class);
- 7 • *Bowlin-Burdick et al v. Life Care Centers of America*, Case No. BC657139, Los Angeles
8 County Superior Court, Hon. Maren E. Nelson (certifying four classes for meal period
9 violations, rest period violations, wage statement violations, and waiting time penalties);
10 and
- 11 • *McDonald, et al. v. Sierra Pacific Industries*, Case No. 191133, Shasta County Superior
12 Court, Hon. Tamara L. Wood (certifying eight classes for meal period violations, rest
13 period violations, unpaid wages, unreimbursed business expenses, wage statement
14 violations, and waiting time penalties).

15 8. In 2015, 2016, and 2017, Thomson Reuters recognized me as a top young attorney
16 in Southern California in the annual Rising Stars Edition of Super Lawyer. This is an honor
17 awarded to no more than two-and-a-half percent of attorneys under the age of forty in Southern
18 California each year. In 2018, 2019, 2020, and 2021, Thomson Reuters recognized me as a “Super
19 Lawyer” in the annual Super Lawyer magazine, an honor awarded to no more than five percent
20 of all attorneys in Southern California each year.

21 9. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately
22 involved in every aspect of this case from its inception through the present, and I believe that the
23 proposed Settlement is an excellent result for the Settlement Class.

24 10. In operation since 1945, Defendant Elliott Auto Supply Co., Inc. (“Elliott Auto”)
25 sells and delivers automotive parts, garden parts, marine parts, lawn and garden parts and all-
26 purpose cleaning products throughout California.

27 11. On May 26, 2020, Plaintiff filed the instant action against Elliott Auto, alleging
28 claims for failure to pay overtime and minimum wages, failure to authorize and permit rest

1 periods, failure to provide meal periods, failure to issue accurate itemized wage statements, failure
2 to timely pay all final wages, and unfair competition. On June 16, 2020, after waiting the
3 prescribed 65-day waiting period, Plaintiff filed a separate representative PAGA action against
4 Elliott Auto in the matter entitled *Amelia Salas Gurrola v. Elliot Auto Supply Co., Inc.*, San Diego
5 Superior Court Case No. 37-2020-00020439-CU-OE-CTL (the “PAGA Action”). A true and
6 correct copy of Plaintiff’s April 8, 2020 PAGA letter to the Labor & Workforce Development
7 Agency (“LWDA”) is attached hereto as **Exhibit 2**. As part of the Settlement, the Parties
8 stipulated to the filing of a consolidated First Amended Class and Representative Action
9 Complaint in this Action. On January 27, 2023, Plaintiff filed the operative First Amended Class
10 and Representative Action Complaint (“FAC”) to add causes of action for PAGA civil penalties
11 and failure to reimburse necessary business expenses.

12 12. The Parties engaged in significant formal and informal discovery in this Action.
13 Plaintiff propounded written discovery seeking, among other items, contact information for the
14 putative class, timekeeping and payroll records for putative class members, and Elliott Auto’s
15 written wage and hour policies. On December 3, 2021, the Parties attended a mediation with Hon.
16 Peter D. Lichtman (Ret.), however, the Parties were unable to reach a settlement and the Parties
17 continued their class certification discovery. Following the December 3, 2021 mediation, the
18 Parties completed a *Belaire-West* opt out notice process and Plaintiff was provided with the
19 contact information for those putative class members who did not opt-out of the *Belaire-West*
20 process. Thereafter, Plaintiff interviewed dozens of Settlement Class members regarding their
21 work experiences with Elliott Auto.

22 13. While conducting formal discovery, the Parties agreed to attend a second
23 mediation session. In connection with this second mediation, Elliott Auto produced timekeeping
24 and payroll data for 20% of employees during the Class Period, its written policies in effect during
25 the Class Period, as well as a “Class List” which included putative class members’ hire date,
26 termination date (if applicable), and their work location, which enabled Plaintiff to calculate the
27 number of workweeks during the Class Period, as well as the total number of aggregate pay
28 periods worked during the PAGA Period. Plaintiff hired a labor economist with a Ph.D in

1 economics to assist Plaintiff in conducting a comprehensive analysis and extrapolation of the
2 timekeeping and payroll data to calculate Elliott Auto's potential exposure for each of Plaintiff's
3 claims. This discovery allowed the Parties to assess the merits and value of Plaintiff's claims, the
4 chances of certification of Plaintiff's claims, and Elliott Auto's potential defenses.

5 14. On September 14, 2022, the Parties attended a second, full-day mediation with
6 Jeffrey A. Ross, Esq., an experienced wage and hour class action mediator. During mediation, the
7 Parties vigorously debated their opposing legal positions, the likelihood of certification of
8 Plaintiff's claims, and the legal basis for the claims and defenses. In the weeks following the
9 second mediation, Mr. Ross issued a mediator's proposal for a class-wide settlement, which was
10 ultimately accepted by the Parties. During the months that followed, the parties negotiated and
11 finalized the long-form Settlement Agreement now before this Court. A true and correct copy of
12 the Settlement Agreement is attached hereto as **Exhibit 1**. The proposed Class Notice and Notice
13 of Estimated Settlement Award are attached as **Exhibits A** and **B**, respectively, to the Settlement
14 Agreement.

15 15. The monetary terms of the Settlement are summarized below:

16	• Gross Settlement Amount ("GSA"):	\$2,550,000.00
17	• Minus Court-approved attorneys' fees (up to 1/3):	\$850,000.00
18	• Minus Court-approved verified costs (up to):	\$60,000.00
19	• Minus Court-approved Enhancement Payment:	\$7,500.00
20	• Minus Amount designated as PAGA penalties:	\$80,000.00
21	• <u>Minus estimated settlement administration costs:</u>	<u>\$18,000.00</u>
	Net Settlement Amount ("NSA"):	\$1,534,500.00
	PLUS 25% of PAGA penalties ("PAGA Amount")	\$20,000.00
	TOTAL Amount Paid to Settlement Class:	\$1,554,500.00

22 16. According to Elliott Auto, there are approximately 1,173 Settlement Class
23 members. Thus, the average Settlement Award from the NSA is estimated to be \$1,308.18.
24 Further, Elliott Auto states that there are approximately 692 employees who fall within the PAGA
25 Period. Therefore, the average PAGA share is estimated to be \$28.90.

26 17. As detailed in Plaintiff's Motion for Preliminary Approval, Plaintiff alleges that
27 Elliott Auto underpaid Settlement Class members' overtime wages due to its failure to include all
28 renumeration in the regular rate of pay for overtime purposes. Specifically, Plaintiff alleges Elliott

1 Auto paid Settlement Class members non-discretionary bonuses, including bonuses for workplace
2 safety, but did not include these payments into Settlement Class members' regular rate of pay for
3 overtime purposes, and thereby miscalculated and underpaid Settlement Class members' overtime
4 wages. Based on Plaintiff's expert's analysis of employees' time and payroll records produced by
5 Elliott Auto, Plaintiff estimates that Settlement Class members were underpaid by approximately
6 \$9,544 in overtime wages as a result of the alleged miscalculation of the regular rate of pay.
7 However, Elliott Auto contends that the vast majority of additional payments at issue are
8 discretionary bonuses that do not need to be included in the regular rate for overtime purposes.
9 Elliott Auto also contends that differences in the amount, type, and frequency of bonuses paid to
10 different employees would require hundreds of mini-trials and render class certification of this
11 claim inappropriate. Based on these defenses, Plaintiff discounted the maximum exposure by
12 15% for risk of non-certification, and by an additional 20% for risk of losing on the merits or
13 failing to recover the full amount sought, to arrive at a realistic exposure of approximately \$6,490.

14 18. Plaintiff alleges that Elliott Auto failed to provide her and other Settlement Class
15 members with legally-compliant meal periods. Specifically, Plaintiff alleges that due to Elliott
16 Auto's written meal period policy which provides for a first meal period by the end of 5.5 hours
17 of work, and due to work demands, first meal periods were regularly provided after the
18 completion of five hours of work. Based on Plaintiff's expert's analysis of employee timekeeping
19 records produced by Elliott Auto, there were approximately 91,630 shifts with a non-compliant
20 first meal period reflected in the timekeeping data. Plaintiff's expert's analysis also revealed a
21 total of \$3,157 in meal period "premiums" paid during the Class Period. Thus, Plaintiff estimated
22 the maximum potential exposure for this claim at approximately \$1,337,390 ((91,630 non-
23 compliant first meal periods * \$14.63 average premium) - \$3,157 in premiums paid). However,
24 Elliott Auto contends that it maintained compliant written meal period policies throughout the
25 Class Period and provided meal periods in line with those policies. Elliott Auto also points to its
26 "Attendance Policies," which are required to be signed by Settlement Class members, which
27 instruct employees to "take their lunch within the 4th and 5th hour worked." Elliott Auto further
28 argues that under *Brinker*, it was only required to "provide" the opportunity to take meal periods,

1 not “ensure” meal periods are taken. Elliott Auto also argues that any short, missed, or late first
2 meal periods were the result of lawful employee waiver or choice, thereby precluding liability.
3 Lastly, Elliott Auto argues individualized inquiries would be needed to determine why each meal
4 period was taken late or short or missed by each employee, and whether there was a valid waiver,
5 making certification of the meal period claim unlikely. Elliott Auto further argues that
6 certification of a meal period claim is unlikely as Settlement Class members worked at a variety
7 of locations throughout California, creating substantive differences among Settlement Class
8 members. In light of these defenses, Plaintiff discounted the maximum amount by 25% for risk
9 of non-certification and an additional 30% for risk of being unsuccessful on the merits or failure
10 to recover the full amount sought, to arrive at an estimated realistic exposure of approximately
11 \$702,129.

12 19. Plaintiff further alleges that Elliott Auto failed to provide second meal periods
13 during shifts in excess of 10.0 hours. Based on Plaintiff’s analysis and extrapolation of employee
14 timekeeping records produced by Elliott Auto, there were approximately 6,784 instances of
15 potential non-compliant second meal periods reflected in the data. Thus, Plaintiff estimated the
16 maximum potential exposure for second meal period violations at \$99,250 (6,784 non-compliant
17 second meal periods * \$14.63 average premium). However, Elliot Auto contends that it
18 maintained compliant written meal period policies throughout the Class Period and provided all
19 legally-compliant meal periods in line with those policies. Elliott Auto further argues that under
20 *Brinker*, it was only required to “provide” the opportunity to take meal periods, not “ensure” meal
21 periods are taken. Elliott Auto also argues that any short, missed, or late first meal periods were
22 the result of lawful employee waiver or choice, thereby precluding liability. Elliott Auto argues
23 that second meal periods may lawfully be waived on shifts of more than 10.0 hours but less than
24 12.0 hours per Labor Code § 512, and that employees regularly did so. Lastly, Elliott Auto argues
25 individualized inquiries would be needed to determine why each meal period was taken late or
26 short or missed by each employee, and whether there was a valid waiver, making certification of
27 the meal period claim unlikely. In light of these defenses, Plaintiff discounted the maximum
28 amount by 35% for risk of non-certification and an additional 50% for risk of being unsuccessful

1 on the merits or having exposure reduced in light of Elliott Auto’s waiver arguments, to arrive at
2 an estimated realistic exposure of approximately \$32,256.

3 20. Plaintiff alleges that Elliott Auto failed to authorize and permit all legally-
4 compliant off-duty rest periods. Specifically, Plaintiff alleges that Elliott Auto’s written rest period
5 policy fails to authorize and permit a third rest period during shifts in excess of 10.0 hours and
6 fails to authorize a rest period on shifts of 3.50 – 3.99 hours, as Elliott Auto’s written rest period
7 policy only provides for “[a] paid 10 minute break...for every 4 hours worked.” Plaintiff further
8 alleges that Elliott Auto failed to authorize and permit off-duty rest periods at its Fullerton
9 location as a result of Elliott Auto’s policy and practice of requiring employees to remain on
10 company premises during rest periods. Based on Plaintiff’s expert’s analysis of employee
11 timekeeping records, there were approximately 156,002 shifts of 3.5 hours or more worked by
12 Settlement Class members at the Fullerton location, where Plaintiff contends Settlement Class
13 members were restricted to the company’s premises. Assuming a rest period violation for each
14 shift due to Elliott Auto’s unlawful on-premises rest period policy, Plaintiff calculates Elliott
15 Auto’s exposure for this theory of liability at approximately \$2,282,309 (156,002 total “on-
16 premises” shifts * \$14.63 average premium). Plaintiff’s analysis further revealed that there were
17 approximately 6,784 shifts worked in excess of 10.0 hours in which Settlement Class members
18 were not authorized and permitted a third rest period, and approximately 1,577 shifts worked
19 between 3.50 – 3.99 hours. Accordingly, Plaintiff calculates Elliott Auto’s maximum exposure
20 for this theory of liability at approximately \$122,322 ((6,784 shifts * \$14.63 average premium) +
21 1,577 shifts * \$14.63 average premium)). Thus, Plaintiff estimated the maximum potential
22 exposure for rest period violations at approximately \$2,404,631 (\$2,282,309 + \$122,322).
23 However, Elliott Auto counters that it has maintained compliant written rest period policies
24 throughout the Class Period and has always authorized and permitted employees a 10-minute rest
25 period for each four (4) hours worked, or major fraction thereof, as required under the Wage
26 Order, and that any failure to take rest periods was a result of employee choice, rather than any
27 Elliott Auto policy and/or practice. Further, Elliott Auto maintains that it never required
28 employees to remain on-premises during their rest periods. In fact, Elliott Auto asserts that many

1 employees at the Fullerton location would testify that they did, in fact, leave the premises during
2 rest periods. Elliott Auto further contends that, even if it (or individual managers) had required
3 employees to remain on premises, *Augustus* rejected Plaintiff's "on premises" theory when it
4 observed that "one would expect that employees will ordinarily have to remain onsite or nearby.
5 This constraint, which is of course common to all rest periods, is not sufficient to establish
6 employer control." Finally, Elliott Auto argues that Plaintiff's rest period claim is not amenable
7 to class treatment, since individual inquiries would be required to determine which employees
8 failed to take rest periods, how many rest periods they failed to take, the reasons why each
9 employee failed to take rest period(s) on a particular shift, and whether each employee at the
10 Fullerton location was in fact allowed to leave the premises during each rest period. These
11 manageability concerns are especially present with respect to rest period claims, Elliott Auto
12 argues, given that rest periods are not recorded. In light of these defenses, Plaintiff discounted the
13 maximum amount by 30% to account for the risk of non-certification, and an additional 40% for
14 risk of being unsuccessful on the merits or failure to recover the full amount sought, to arrive at
15 an estimated realistic exposure of approximately \$1,009,945.

16 21. Plaintiff alleges that Elliot Auto maintained unlawful timekeeping
17 policies/practices, which round all timekeeping entries to the nearest quarter of an hour, resulting
18 in an underpayment of wages to Settlement Class members. Based on Plaintiff's review of
19 employee timekeeping records, Plaintiff contends that Elliott Auto's rounding practice resulted
20 in approximately 2,049 net hours of unpaid wages. Thus, and based upon the average rate of pay
21 during the Class Period, Plaintiff estimates that Elliott Auto's maximum exposure for this claim
22 is approximately \$59,953 (2,049 hrs. * \$14.63 * 2 (liq. Damages per Labor Code §1194.2). Elliott
23 Auto counters that they have always paid Settlement Class members for all hours worked
24 throughout the Class Period and that their timekeeping policies/practices are compliant with
25 California law. Elliott Auto contends that they utilized an even-handed timekeeping system that,
26 on balance, resulted in employees being paid for all hours actually worked. Additionally, Elliott
27 Auto asserts Plaintiff would be unable to certify a rounding class given the individualized
28 inquiries as to whether Settlement Class members performed compensable work prior to the

1 scheduled start of shift, and whether Settlement Class members were in fact underpaid, or
2 potentially overpaid for each workday in question. Specifically, Plaintiff's analysis revealed that,
3 at most, employees were underpaid due to rounding on a minority of shifts (approximately 47.8%)
4 and that overall, approximately 52.2% of shifts were either neutral or rounded in favor of
5 employees. Based on these defenses, Plaintiff discounted the maximum exposure by 60% to
6 account for the risk of non-certification, and an additional 65% to account for Elliott Auto's
7 defenses on the merits, to arrive at an estimated exposure of approximately \$8,393.

8 22. Plaintiff alleges that Elliott Auto required Settlement Class members to use their
9 personal cellular phones for work-related purposes, however, Elliott Auto failed to reimburse
10 Settlement Class members for these necessary business expenses, in violation of Labor Code §
11 2802(a). Based on Plaintiff's analysis and extrapolation of Elliott Auto's records, Plaintiff
12 estimates that Settlement Class members have worked a total of approximately 21,848 months
13 during the Class Period. Using a conservative estimate of \$25 per month in reasonable work-
14 related personal cellular phone use, Plaintiff calculates Elliott Auto's maximum exposure for this
15 claim at approximately \$546,200 ($\$25/\text{month} * 21,848 \text{ months}$). Elliott Auto maintains that
16 Settlement Class members were not required to use their personal cellular phones as part of their
17 job. Elliott Auto points to its "Factory Motor Parts Cell Phone Policy" and argues that it provides
18 Settlement Class members with company cellular phones which they can use for business
19 purposes, and which are paid for by Elliott Auto. Elliott Auto further argues that any expenses
20 incurred by Settlement Class members were minimal, given the wide availability of low-cost
21 cellular phone plans. Elliott Auto further contends that this claim would require individual
22 inquiries into whether Settlement Class members actually used their personal cellular phones for
23 work purposes, how much expense they incurred, whether they submitted a request for
24 reimbursement, and the reasonableness of that expense, thus precluding class certification. Based
25 on these defenses, Plaintiff discounted the estimated maximum amount by 50% for risk of non-
26 certification, and by an additional 50% to account for risk of losing on the merits or failure to
27 recover the maximal amount sought, to arrive at an estimated exposure of approximately
28 \$136,550.

1 23. As a result of these alleged wage and hour violations, Plaintiff asserts that Elliott
2 Auto failed to comply with its final wage payment obligations, in violation of Labor Code § 203.
3 Based on data produced by Elliott Auto, there are approximately 466 Settlement Class members
4 who separated their employment from Elliott Auto at any time after April 6, 2017 and are
5 therefore eligible for waiting time penalties. Plaintiff estimated an average waiting time penalty
6 of approximately \$3,511 ($\$14.63/\text{hr} * 8 \text{ hrs} * 30 \text{ days}$), and calculated Elliott Auto's maximum
7 waiting time penalty exposure at approximately \$1,636,126 ($466 \text{ former employees} * \$3,511$
8 average waiting time penalty). However, Elliott Auto asserts it has strong, good-faith defenses
9 to Plaintiff's underlying claims, precluding the imposition of waiting time penalties, which are
10 only available for the "willful" failure to pay wages. Moreover, because the waiting time claim is
11 derivative of Plaintiff's underlying wage claims, Plaintiff would need to overcome Elliott Auto's
12 defenses, both as to class certification and on the merits, as to his underlying claims. Elliott Auto
13 further asserts Plaintiff's waiting time penalty exposure was grossly inflated as not every former
14 employee experienced the alleged Labor Code violations. Based on these defenses, Plaintiff
15 discounted Elliott Auto's maximum exposure by 50% for risk of non-certification, and by an
16 additional 60% for risk of being unsuccessful on the merits or failure to recover the full amount
17 sought, to arrive at an estimated total of approximately \$327,225.

18 24. As a further result of Elliott Auto's failure to pay all wages and all meal and rest
19 period premiums owed, Plaintiff alleges that Elliot Auto failed to issue accurate and compliant
20 itemized wage statements. Plaintiff's analysis reflected that there were approximately 26,829 pay
21 periods worked by Settlement Class members within the one-year liability window under Labor
22 Code §226. In calculating Elliot Auto's exposure, Plaintiff gave Elliott Auto the benefit of
23 assuming that Plaintiff could only obtain the "initial" wage statement violation rate of \$50 per
24 pay period, for a total of approximately \$1,341,450 ($26,829 \text{ pay periods} * \$50 \text{ "initial" penalty}$).
25 Elliott Auto contends that any alleged wage statement violations could not be shown to be
26 "knowing and intentional," particularly given its good-faith defenses; that Plaintiff cannot show
27 she or other employees "suffer[ed] injury" due to alleged wage statement violations, as required
28 by Lab. Code § 226(e); and that wage statements always accurately reflected amounts *paid* to

employees. In light of these defenses, Plaintiff discounted the maximum exposure by 50% for risk of non-certification, and by an additional 50% for risks on the merits, for an estimated realistic exposure of approximately \$335,363.

25. Finally, Plaintiff alleges that Elliott Auto is liable for civil penalties under the PAGA based on these alleged violations of the Labor Code. Plaintiff estimated a maximum PAGA exposure of \$2,682,900 (26,829 pay periods during PAGA Period * \$100 “initial” violation rate). Elliott Auto contends that since Plaintiff’s PAGA claim is derivative of her underlying wage claims, Plaintiff’s PAGA claim would fail with those claims. Elliott Auto further maintains that given its good-faith defenses, the Court would substantially reduce any PAGA penalties awarded. Therefore, Plaintiff discounted the maximum figure by 75% for risk of losing on the merits or manageability issues and/or not recovering a PAGA penalty for each and every pay period, and by an additional 75% for risk of the Court reducing penalties, for an estimated exposure of approximately \$167,681.

26. Using these estimated figures for each of the claims described above, Plaintiff predicted that the potential recovery for the Settlement Class would be approximately \$2,726,032. The proposed settlement of \$2,550,000.00 therefore represents approximately 93.5% of the reasonably forecasted recovery for the Settlement Class.

27. Although the Parties engaged in significant formal and informal discovery prior to mediation, the Parties still had significant formal discovery to complete had the matter not settled. This would have required expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Even if Plaintiff was to certify the classes, the Parties would incur considerably more attorneys’ fees and costs through a possible decertification motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

28. Class Counsel will also apply for an attorneys’ fees award of one-third of the Gross Settlement Amount, which is currently estimated to be \$850,000.00, and up to \$60,000.00 in verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee

1 basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation;
2 legal research; analyzing Plaintiff's claims; analyzing employee timekeeping and payroll records
3 and other data and documents; engaging in formal and informal discovery; going through the
4 *Belaire-West* opt out notice process; interviewing Settlement Class members regarding their work
5 experiences at Elliott Auto; working with its retained expert to develop a comprehensive damages
6 analysis and mediation brief; preparing for and attending two mediation sessions; negotiating the
7 Settlement; preparing this Motion; and otherwise prosecuting this case. Counsel anticipates
8 incurring additional fees in appearing at the hearing on this Motion, supervising the Notice
9 process, and preparing the Final Approval motion and appearing at the Final Approval Hearing.

10 29. Plaintiff will apply for Class Representative Enhancement Payment at the time of
11 seeking final approval of the proposed class action settlement in the amount of \$7,500, for her
12 service to the Settlement Class. I believe this is reasonable given Plaintiff's efforts in this case as
13 well as the significant risks Plaintiff undertook by agreeing to serve as the named Plaintiff in this
14 case and agreeing to a general release of all claims subject to a waiver of California Civil Code
15 section 1542. Plaintiff was integral in the prosecution of this action, by, among other things,
16 providing substantial factual information and documents to Class Counsel, attending multiple
17 meetings with Class Counsel to discuss the claims and theories at issue in the litigation, and
18 otherwise actively participating in the prosecution of his claims.

19 30. Neither I, nor any other attorney at my law firm, have any personal or financial
20 relationship, affiliation and/or connection with Veterans Legal Institute.

21 I declare under penalty of perjury under the laws of the State of California that the
22 foregoing is true and correct. Executed on April 13, 2023, at El Segundo, California.

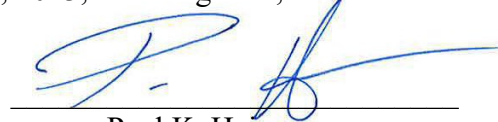
23
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25 Paul K. Haines
26
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28

EXHIBIT 1

FIRST AMENDED STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement” or “Settlement”) is reached by and between Plaintiff Amelia Salas Gurrola (“Plaintiff”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Elliott Auto Supply Co., Inc. (“Elliott Auto” or Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Jaime Castaneda of Haines Law Group, APC (“Class Counsel”). Defendant is represented by William J. Brown, Jr. and Matthew K. Wegner of Brown Wegner LLP.

On April 6, 2020, Plaintiff filed a class action lawsuit against Defendant in San Diego County Superior Court, in the matter titled *Amelia Salas Gurrola v. Elliott Auto Supply Co., Inc.*, San Diego Superior Court, Case No. 37-2020-00015368-CU-OE-CTL, alleging the following causes of action: (1) failure to pay all overtime wages; (2) minimum wage violations; (3) rest period violations; (4) meal period violations; (5) wage statement penalties; (6) waiting time penalties; and (7) unfair competition as a result of the aforementioned violations (Bus. & Prof. Code § 17200 *et seq.*) (the “Class Action”). On June 16, 2020, Plaintiff filed a separate representative action with a single cause of action for civil penalties under the Private Attorneys General Act of 2004 (“PAGA”), California Labor Code § 2698, *et seq.*, in San Diego County Superior Court in the matter titled *Amelia Salas Gurrola v. Elliott Auto Supply Co., Inc.*, San Diego Superior Court, Case No. 37-2020-00020439-CU-OE-CTL (the “PAGA Action”). The Class Action and PAGA Action shall be referred to collectively as the “Action.”

On September 27, 2017, the Orange County Superior Court approved the Class Action Settlement in *Ernest Causey v. Elliott Auto Supply Co., Inc., James Barnes*, Case No. 30-2014-00762886-CU-OE-CXC, a wage and hour class action and PAGA action, covering the class of all California based employees who worked for Elliott Auto as delivery drivers at any time in California from December 22, 2010 until May 2, 2017 (“Causey Class Participants”).

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle the Class Action and the PAGA Action, to resolved both individually and on behalf of the Settlement Class (defined below). Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt employees who worked for Defendant Elliott Auto Supply Co., Inc. in California at any time from April 6, 2016 through January 5, 2023 (the “Class Period”). Partial exclusion of Causey Class Participants: Excluded from the Settlement Class are any former non-exempt employees who worked for Elliott Auto as delivery drivers from April 6, 2016 and to but not beyond May 2, 2017. Members of the Causey Settlement Class who worked for Elliott Auto any time from April 6, 2016 until after May 2, 2017 shall be members of the Settlement Class in the present case, but their work weeks prior to May 2, 2017 shall be subtracted when calculating the overall number of “Class Work Weeks” and when calculating that particular member’s payout based on the proportion of the work weeks.

Defendant represents that there are approximately 1,173 Settlement Class members.

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in the Action or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into this Settlement Agreement.

2. **Consolidated and Amended Complaint.** The Parties shall stipulate for leave for Plaintiff to file a consolidated First Amended Class and Representative Action Complaint in the Class Action, and, and the Parties shall seek approval of this Settlement Agreement through the Class Action to resolve both the Class Action and the PAGA Action and to include additional claims that were raised between the Parties.

3. **Release by Settlement Class Members and Plaintiff.** As of the Final Effective Date (as defined below), and upon Defendant's complete funding of the Gross Settlement Amount (as defined below), Plaintiff and every member of the Settlement Class (except those who opt out) will fully release and discharge Defendant and any of its former or present parents, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors, and all agents, employees, officers, directors, members, managers, holding companies, insurers, and attorneys thereof, (collectively, the "Released Parties"), as follows:

- A. **Release by Settlement Class.** Settlement Class members (except those who opt-out) shall release all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts alleged in the Class Action and in the PAGA Action, as well as in the operative First Amended Class and Representative Action Complaint, including, but not limited to: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to authorize and permit rest periods; (4) failure to provide meal periods; (5) failure to provide compliant itemized wage statements; (6) failure to timely pay wages at the end of employment; (7) any right or claim for unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, based on the alleged failures set forth in (1) through (6) above; and (8) Failure to Reimburse Employees for Necessary Business Expenses; ("Class Released Claims"). The release of the Class Released Claims shall apply for the duration of the Class Period.
- B. **Partial Exclusion of Causey Class Participants.** Excluded from the Settlement Class in this case are any former non-exempt delivery driver employees who worked for Elliott Auto from April 6, 2016 and to but not beyond May 2, 2017. Members of the Causey Settlement Class who worked for Elliott Auto any time from April 6, 2016 until after May 2, 2017 shall be members of the Settlement Class in the present case, but their work weeks prior to May 2, 2017 shall be subtracted when to calculating the overall number of "Class Work Weeks" and when calculating that particular member's payout based on the proportion of the work weeks.

- C. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether or not they opt out) who worked for Defendant in California at any point from April 8, 2019 through January 5, 2023 (the “PAGA Period”) are “Aggrieved Employees” and shall release Defendant from all claims, causes of action, or legal theories that were alleged or could have been alleged based on facts in the PAGA Action Complaint, or in the operative First Amended Class and Representative Action Complaint, that were stated for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff’s April 8, 2020 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) (“the PAGA Released Claims”).
- D. **General Release by Plaintiff.** In light of Plaintiff’s Class Representative Enhancement Payment, Plaintiff has agreed to release, individually and in addition to the Class Released Claims and PAGA Released Claims described above, all claims, whether known or unknown, under federal law or state law, against the Released Parties, arising from her employment with Defendant, for the duration of the Class Period (“Plaintiff’s Released Claims”). Plaintiff and Defendant understand and agree that, by way of this release, Plaintiff is not releasing, compromising, settling, or resolving any claims for or related to workers’ compensation, any claims for unemployment insurance benefits, nor any other claims which cannot be released as a matter of law. Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

- E. **Effective Date:** The “Effective Date” of the settlement agreement shall be the day after all of the following have occurred: (i) final approval of the settlement is granted by the Court, (ii) judgment approving the settlement becomes Final, and (iii) the PAGA Action has been dismissed with prejudice. The term “Final” means: (i) if no objections are made to the Settlement, or if any objections to the Settlement are withdrawn, then the Settlement will be “Final” on the date the Court enters judgment on the Settlement; (ii) if an objection is made to the Settlement and not withdrawn, and the objection is overruled by the Court with no appeal being taken, then the Settlement will be “Final” on the expiration date of the time for filing or noticing any appeal of the judgment; (iii) if there is an appeal of the Court’s judgment, the Settlement will be “Final” on the date the judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court and/or United States Supreme Court; or (iv) if a petition for writ of certiorari is filed, the Settlement will be “Final” on the date of denial of the petition for writ of certiorari, or the date the judgment is affirmed pursuant to such petition.

4. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary gross settlement amount (“Gross Settlement Amount”) of Two Million Five Hundred Fifty Thousand Dollars and Zero Cents (\$2,550,000.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement.
- B. Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator within fifteen (15) calendar days of the Final Effective Date. The Parties agree that there are no circumstances that would require Defendant to pay any amount greater than the Gross Settlement Amount, in connection with this Agreement, except (i) any amount under the Escalator Clause in Section 4(F) and (ii) any employer-side payroll taxes to be paid separately by Defendant under Section 4(E)
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator which are anticipated to be no greater than Eighteen Thousand Dollars and Zero Cents (\$18,000.00);
 - (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff’s Class Representative Enhancement Payment, in recognition of her contributions to the Action and service to the Settlement Class;
 - (4) Up to one-third of the Gross Settlement Amount (currently estimated to be \$850,000.00) in Class Counsel’s attorneys’ fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Sixty Thousand Dollars and Zero Cents (\$60,000.00); and
 - (5) Eighty Thousand Dollars and Zero Cents (\$80,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or Sixty Thousand Dollars and Zero Cents (\$60,000.00), will be payable to the Labor & Workforce Development Agency (“LWDA”), and the remaining 25%, Twenty Thousand Dollars and Zero Cents (\$20,000.00), will be payable to certain Settlement Class members as the “PAGA Amount,” as described below.

The amounts described in Section 3.C.(1)-(5) are subject to Court approval. Defendant will not oppose the reasonableness of these requests. Any reduction by the Court of these requests will revert to the Net Settlement Amount (described below).
- E. **Employer Payroll Taxes.** The Gross Settlement Amount does not include employer-side payroll taxes that are part of any Individual Settlement Amount

designated as wages, which shall be paid by Defendant separate from, and in addition to, the Gross Settlement Amount. Defendant shall deposit the employer-side taxes with the Settlement Administrator no later than the date it deposits the Gross Settlement Amount as described in Paragraph 3.B.

- F. **Escalator Clause.** The Gross Settlement amount is based on Defendant's representations that there are approximately 99,453 "Class Work Weeks", which is calculated by subtracting out the workweeks of Causey Class Participants from April 6, 2016 to May 2, 2017 from workweeks of all Class members during the Class Period. If, at the time of preliminary approval, the number of Class Work Weeks has increased by 5% or more (i.e., if there are 104,426 or more Class Work Weeks), the Gross Settlement Amount shall increase on proportional basis by the amount exceeding 5% (i.e., if there was an 8% increase in the number of total Class Work Weeks, the Gross Settlement Amount shall increase by 3%) or at Defendant's sole option the Class Period may be ended as of the date that the Class Period exceeds 104,426 Class Work Weeks.

5. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Individual Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, the Class Representative Enhancement Payment, the Settlement Administrator's fees and expenses for administration, and the total amount set aside as PAGA civil penalties. The remaining amount shall be known as the "Net Settlement Amount" or "NSA." Settlement Awards will be the total of each Settlement Class member's: (i) payment from NSA and (ii) payment, if any, from the PAGA Amount, as described below.
- i. Payments to all participating Settlement Class members: Eighty percent (80%) of the Net Settlement Amount will be distributed to all participating Settlement Class members based on each participating Settlement Class member's proportionate Class Work Weeks worked during the Class Period, and which shall be calculated by multiplying 80% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of Class Work Weeks worked during the Class Period, and the denominator of which is the total Class Work Weeks worked by all participating Settlement Class members during the Class Period.
 - ii. Waiting Time Amount: Ten Percent (10%) of the Net Settlement Amount shall be designated as the "Waiting Time Amount." Each participating Settlement Class member whose employment with Defendant ended at any time from April 6, 2017 through the end of the Class Period shall receive an equal, pro-rata share of the Waiting Time Amount.
 - iii. Wage Statement Amount: Ten percent (10%) of the Net Settlement Amount shall be designated as the "Wage Statement Amount." Each participating Settlement

Class member who was employed by Defendant at any time from April 6, 2019 to the end of the Class Period (“Wage Statement Period”) shall receive a portion of the Wage Statement Amount proportionate to the number of Pay Periods that he or she worked for Defendant in California during the Wage Statement Period, and which shall be calculated by multiplying 10% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member’s number of Pay Periods worked during the Wage Statement Period, and the denominator of which is the total Pay Periods worked by all participating Settlement Class members during the Wage Statement Period.

- iv. Payments from the PAGA Amount: In addition to the Net Settlement Amount, each Settlement Class member (regardless whether they opt out) who was employed by Defendant in California at any time during the PAGA Period shall receive a portion of the \$20,000.00 of the Gross Settlement Amount that has been designated as the “PAGA Amount” (as indicated above), proportionate to the number of Pay Periods that he or she worked during the PAGA Period, and which shall be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member’s number of Pay Periods worked during the PAGA Period, and the denominator of which is the total Pay Periods worked by all Settlement Class members during the PAGA Period. Settlement Class members whose Settlement Award includes payments from both the Net Settlement Amount and the PAGA Amount will have both amounts aggregated in one check.

B. Calculation of Settlement Awards. Within five (5) Court days of the Final Effective Date, the Settlement Administrator will calculate individual Settlement Awards, as well as the amount of the employer’s share of payroll taxes due on the wage portion of the individual Settlement Awards, and provide the same to counsel for review and approval.

C. Payment of Individual Settlement Awards. Within five (5) Court days of (i) the Final Effective Date occurring and (ii) Defendant’s deposit of the Gross Settlement Amount and employer-side taxes, and after approval by counsel of the Settlement Award calculations, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant’s counsel. The Settlement Administrator shall pay the amounts approved by the Court for Class Counsel’s attorneys’ fees and costs, Plaintiff’s Class Representative Enhancement Payment, and PAGA payment to the LWDA after it mails Settlement Awards to Settlement Class members.

D. For tax purposes, each Individual Settlement Award shall be allocated as follows: any payment made from the PAGA Amount shall be treated as 100% penalties. Any payment made from the NSA shall be allocated as thirty percent (30%) wages, thirty percent (30%) interest, and forty percent (40%) penalties. The Settlement Administrator will issue to Settlement Class members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and

interest). Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, including but not limited to, 401K benefits or matching benefits. Each Settlement Class member is responsible for the proper tax treatment of his/her Individual Settlement Award, and neither Plaintiff, Defendant, nor their respective counsel are providing tax advice with respect to the tax treatment of Individual Settlement Awards. Each Settlement Class member agrees to hold harmless Plaintiff, Defendant, and their respective counsel from any liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share of taxes, interest, fees, or penalties owed.

- E. Each member of the Settlement Class who is issued an Individual Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails the payment. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing, shall be placed in a *cy pres* fund and awarded to:

Veterans Legal Institute
c/o Antionette Naddour, Esq., Executive Director
1231 Warner Ave.
Tustin, CA 92780
Ph: 714-852-3492

- F. Neither Plaintiff nor any of the Released Parties (nor their respective counsel) shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

6. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be Eight Hundred Fifty Thousand Dollars and Zero Cents (\$850,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Sixty Thousand Dollars and Zero Cents (\$60,000.00), from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee and cost award approved by the Court.

7. **Class Representative Enhancement Payment.** Defendant will not object to a request for a Class Representative Enhancement Payment to Plaintiff of up to Seven Thousand Five Hundred Dollars (\$7,500.00), for her time and risk in prosecuting this case, her individual release of all claims, her Code of Civil Procedure section 1542 waiver, and her services to the Settlement Class. Plaintiff's Class Representative Enhancement Payment will be in addition to Plaintiff's Individual

Settlement Award as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

8. **Settlement Administrator.** Parties will not object to the appointment of Phoenix Settlement Administrators as the Settlement Administrator. Defendant will not object to Plaintiff seeking approval to pay up to Eighteen Thousand Dollars and Zero Cents (\$18,000.00) for Phoenix's services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending Notice Packets to the Settlement Class members, calculating Individual Settlement Awards, preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the GSA only after all Individual Settlement Awards have been mailed to Settlement Class members and the PAGA payment is made to the LWDA. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website.

9. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court in the Class Action for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines, Sean M. Blakely, Neil M. Larsen, and Jaime Castaneda of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff as the Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as the Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Award, attached hereto as Exhibits A and B, respectively), and directing the mailing of the same; and
- G. Scheduling a Final Approval hearing.

10. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and Workweek and Pay Period data ("Class Data") for each Settlement Class member during the Class Period, as well as information to identify Causey Class members and their workweeks that occurred during the Class Period.

- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Award for each Settlement Class member and receive approval from counsel of those calculations; and (iv) mail via First Class U.S. mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt out of the class Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the class Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member’s last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement (except for any amount due to him or her from the PAGA Amount, if applicable) and will not be bound by the terms of the Settlement (except for the release of the PAGA Released Claims, if applicable) or have any right to object, appeal, or comment on the Settlement Agreement.
- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the Settlement or opt out of the Settlement Class or encourage any Settlement Class member to appeal from the final judgment.
- D. Objections. Members of the Settlement Class who do not opt out may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant’s counsel, as well as file all such objections with the Court) within the Response Deadline. Defendant’s counsel and Class Counsel shall

file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection.

- E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Award (excluding any tax calculations) as well as the information that was used to calculate the estimated Individual Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If the Parties cannot agree, the Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Settlement Class member and the Parties.
- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall re-send the Notice Packet to the Settlement Class member within three (3) business days of obtaining the updated address. Settlement Class members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion, Objection, or dispute. Notice Packets that are re-sent shall inform the recipient of this adjusted deadline, if applicable. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet need not be mailed. Nothing else shall be required of, or done by,

the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

11. **Final Approval.** Following preliminary approval and the close of the period for submitting requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payment, settlement administration costs, and payment to the LWDA for its share of civil penalties under PAGA; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

12. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or wrongdoing or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

13. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by counsel for all the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiff: Paul K. Haines
Haines Law Group, APC
2155 Campus Drive, Suite 180, El Segundo, CA 90245
phaines@haineslawgroup.com

if to Defendant: William J. Brown, Jr.
Brown Wegner LLP
2010 Main Street, Suite 1260, Irvine, CA 92614
bill@brownwegner.com

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations,

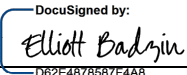
presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court shall award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of, or failure to conform with, any material term of this Settlement Agreement.

DATED: 4/7/2023, 2023

ELLIOTT AUTO SUPPLY CO., INC.

By: 
DocuSigned by:
D62E4878587F4A8...
 Name: Elliott Badzin
 Title: President

DATED: _____, 2023

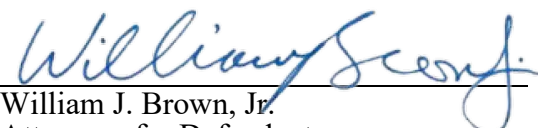
PLAINTIFF AMELIA SALAS GURROLA

By: _____
 Plaintiff and Settlement Class Representative

APPROVED AS TO FORM ONLY:

DATED: April 7, 2023

BROWN WEGNER LLP

By: 
 William J. Brown, Jr.
 Attorneys for Defendant

DATED: _____, 2023

HAINES LAW GROUP, APC

By: _____
 Paul K. Haines
 Attorneys for Plaintiff

presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

17. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court shall award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of, or failure to conform with, any material term of this Settlement Agreement.

DATED: _____, 2023

ELLIOTT AUTO SUPPLY CO., INC.

By: _____
Name: _____
Title: _____

DATED: Feb 15, 2023, 2023

PLAINTIFF AMELIA SALAS GURROLA

By:  _____
Amelia Salas (Feb 15, 2023 19:26 PST)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM ONLY:

DATED: _____, 2023

BROWN WEGNER LLP

By: _____
William J. Brown, Jr.
Attorneys for Defendant

DATED: February 15, 2023

HAINES LAW GROUP, APC

By:  _____
Paul K. Haines
Attorneys for Plaintiff

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

AMELIA SALAS GURROLA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

ELLIOTT AUTO SUPPLY CO., INC., a Minnesota
Corporation; and DOES 1 through 100,

Defendants.

Case No. 37-2020-00015368-CU-OE-CTL

NOTICE OF CLASS ACTION SETTLEMENT

To: All current and former non-exempt employees who worked for Defendant Elliott Auto Supply Co., Inc. ("Elliott Auto") in California at any time from April 6, 2016 through January 5, 2023. These employees will be referred to as the "Settlement Class" or "Settlement Class members."

PLEASE READ CAREFULLY

**THIS NOTICE IS BEING PROVIDED TO YOU IN BOTH ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in *Amelia Salas Gurrola v. Elliott Auto Supply Co., Inc.*, San Diego County Superior Court, Case No. 37-2020-00015368-CU-OE-CTL (the "Lawsuit"). Your rights may be affected by the Settlement, and it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Elliott Auto's records show that you were employed by Elliott Auto as a non-exempt employee in the State of California between April 6, 2016 and January 5, 2023 (the "Class Period"), and that you are not fully or partially excluded because you previously released part or all of your claims as part of a prior class action that was settled in 2017 (*Ernest Causey v. Elliott Auto Supply Co., Inc.*, James Barnes, Orange County Superior Court Case No. 30-2014-00762886-CU-OE-CXC), and therefore are part of the proposed "Settlement Class." The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. If final judgment is entered in this case, it will be posted to the Settlement Administrator's website, www.phoenixclassaction.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will automatically receive a settlement payment if the Court grants final approval of the settlement, and you will be bound by the release provisions in the Settlement Agreement.
OPT OUT	You may opt out of the settlement by submitting a Request for Exclusion (described below). If you opt out, you may not object to the settlement, you shall not receive a payment from the class portion of the Settlement, and you will not be bound by the class release provisions in the Settlement Agreement. Any Request for Exclusion must be submitted by <<RESPONSE DEADLINE>> .

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
OBJECT	You may object to the settlement by submitting a written objection and/or appearing at the Final Approval Hearing. Any written objections must be submitted by <<<RESPONSE DEADLINE>>>.
FINAL APPROVAL HEARING	The Final Approval Hearing will be held on [DATE/TIME] in Department C-64 of the San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101. The Final Approval Hearing may be postponed without further notice to the Settlement Class.

What is this case about?

On May 26, 2020, Plaintiff Amelia Salas Gurrola (“Plaintiff”) filed a Class Action lawsuit on behalf of all current and former non-exempt employees who worked for Elliott Auto in California at any time during the Class Period. On June 16, 2020, Plaintiff filed a representative action lawsuit against Elliott Auto seeking to recover civil penalties under the California Labor Code Private Attorneys General Act, Labor Code § 2698, *et seq.* (“PAGA”) (the “PAGA Action Complaint”). Plaintiff’s operative First Amended Class and Representative Action Complaint alleges that Elliott Auto violated California law by: (1) failing to pay all overtime wages; (2) failing to pay minimum wages for all hours worked; (3) failing to authorize and permit all legally required rest periods; (4) failing to provide all legally required meal periods; (5) failing to furnish accurate and itemized wage statements; (6) failing to timely pay all wages owing upon separation of employment; (7) engaging in unlawful business practices as a result of the foregoing allegations; (8) failing to reimburse employees for necessary business expenditures; and (9) as a result of these alleged violations, Elliott Auto is liable for civil penalties under the PAGA. Plaintiff is known as the “Class Representative.” Plaintiff’s attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

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

The Court has not ruled on the merits of Plaintiff’s claims. However, to avoid additional expense, inconvenience, and interference with business operations, the Parties concluded that it is in Elliott Auto’s best interests and the interests of Settlement Class members to settle the Lawsuit on the terms summarized in this Notice. The Settlement was reached after two mediation sessions and negotiations between the Parties.

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

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

Who are the Attorneys?

Attorneys for Plaintiff/ Settlement Class members:	Attorneys for Elliott Auto:
HAINES LAW GROUP, APC Paul K. Haines (SBN 248226) phaines@haineslawgroup.com Sean M. Blakely (SBN 264384) sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com	BROWN WEGNER LLP William J. Brown (SBN 192950) bill@brownwegner.com 2010 Maine Street, Suite 1260 Irvine, California 92614 Tel: (949) 705-0080 Fax: (949) 797-4099 www.brownwegner.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees who have worked for Elliott Auto in California at any time from April 6, 2016 through January 5, 2023. Additionally, to prevent double recovery, Elliott Auto workers who were members of a previous class action for delivery drivers, the “Causey Class Action”, will not be provided recovery in the present case for work weeks during the class period from that prior case (which ended May 2, 2017) or if such workers were employed only during that period they will be excluded from the class in this case. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Elliott Auto as described below.

Elliott Auto has agreed to pay \$2,550,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, including payments to Settlement Class members, attorneys’ fees and costs, settlement administration costs, the Class Representative Enhancement Payment, and the amount designated as PAGA civil penalties.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount (which is currently estimated to be \$850,000.00) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$60,000.00 for verified costs which were incurred by Class Counsel in connection with the Lawsuit.

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and who will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$18,000.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Class Representative Enhancement Payment. Class Counsel will ask the Court to award \$7,500.00 as the Class Representative Enhancement Payment. This payment is meant to compensate Plaintiff for her service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to the State of California. The Parties have agreed to allocate \$80,000.00 of the Gross Settlement Amount towards the Settlement of the PAGA claims alleged in the Lawsuit. Pursuant to the requirements of the PAGA, 75% of that amount, or \$60,000.00, will be paid to the State of California Labor and Workforce Development Agency (“LWDA”). The remaining \$20,000.00 has been designated as the “PAGA Amount” and will be allocated to Settlement Class members as described below.

Calculation of Settlement Class Members’ Individual Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount is estimated to be approximately \$1,534,500. Together with the \$20,000.00 PAGA Amount, the total amount to be distributed to Settlement Class members is estimated to be \$1,554,500. The NSA will be distributed to Settlement Class members as follows:

- (i) 80% of the NSA will be distributed to all participating Settlement Class members, and will be allocated proportionately based on each participating Settlement Class member’s proportionate workweeks worked for Elliott Auto in California during the Class Period after excluding the workweeks of any participants in “Causey Class Action” during the period April 6, 2016 to May 2, 2017.

- (ii) 10% of the NSA has been designated as the “Wage Statement Amount,” and will be allocated to each participating Settlement Class member who was employed by Elliott Auto at any time between April 6, 2019 through January 5, 2023, in proportion to the number of Pay Periods that each participating Settlement Class member worked for Elliott Auto during that time period.
- (iii) 10% of the NSA has been designated as the “Waiting Time Amount,” and each participating Settlement Class member whose employment with Elliott Auto ended at any time between April 6, 2017 and January 5, 2023, will receive an equal, pro-rata share of the Waiting Time Amount.
- (iv) In addition to the NSA, \$20,000.00 of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above, and will be allocated to all Settlement Class members (including those who exclude themselves from the class action settlement) who were employed by Elliott Auto in California at any time between April 8, 2019 through January 5, 2023 (the “PAGA Period”), in proportion to the number of Pay Periods that each Settlement Class member worked for Elliott Auto during that time period.

Individual Settlement Awards to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Awards will be mailed to Settlement Class members who did not opt out of the settlement by submitting a valid and timely Request for Exclusion.

Allocation and Taxes. For tax purposes, each Individual Settlement Award from the NSA will be allocated as 30% wages, 30% interest, and 40% penalties. Any payment made from the PAGA amount shall be treated as 100% penalties. The Settlement Administrator will be responsible for issuing to Settlement Class members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and interest). Settlement Class members are responsible for the proper income tax treatment of the Settlement Payments. The Settlement Administrator, Elliott Auto and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release by Settlement Class members. As of the Final Effective Date, and upon Elliott Auto’s complete funding of the Gross Settlement Amount, Plaintiff and every member of the Settlement Class (except those who opt out) shall release Elliott Auto and any of its former or present parents, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors, and all agents, employees, officers, directors, members, managers, holding companies, insurers, and attorneys thereof (the “Released Parties”) from all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts alleged in the Class Action and in the PAGA Action, as well as in the operative First Amended Class and Representative Action Complaint, including, but not limited to: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to authorize and permit rest periods; (4) failure to provide meal periods; (5) failure to provide compliant itemized wage statements; (6) failure to timely pay wages at the end of employment; (7) any right or claim for unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, based on the alleged failures set forth in (1) through (6) above; and (8) failure to reimburse employees for necessary business expenses (“Class Released Claims”). The release of the Class Released Claims shall apply for the duration of the Class Period.

In addition, all Settlement Class members (regardless of whether or not they opt out) who worked for Elliott Auto in California at any point from April 8, 2019 through January 5, 2023 are “Aggrieved Employees” and shall release Elliott Auto from all claims, causes of action, or legal theories that were alleged or could have been alleged based on facts in the PAGA Action Complaint, or in the operative First Amended Class and Representative Action Complaint, that were stated for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff’s April 8, 2020 Notification Letter to the LWDA (“the PAGA Released Claims”).

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of a Judgment.

How can I claim money from the Settlement?

Do Nothing. You do not need to do anything if you want to receive payment from and participate in the Settlement. If you do nothing, you will be entitled to your Individual Settlement Award based on the proportionate number of workweeks you worked during the Class Period, whether your employment with Elliott Auto ended at any time from April 6, 2017 through January 5, 2023, the proportionate number of pay periods you worked during the time period of April 6, 2019 through January 5, 2023, and the proportionate number of pay periods you worked during the PAGA Period. Your estimated Individual Settlement Award is included in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

Check Cashing Deadline and Uncashed Checks. If you are issued a Settlement Award, you will have one hundred and eighty (180) calendar days after your check is mailed by the Settlement Administrator to cash it. If you do not cash your check within 180 days after mailing, the check will become void, and the funds associated with such voided check will be distributed to Veterans Legal Institute, located in Tustin, California.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your estimated Settlement Award has been calculated and is included in the enclosed Notice of Estimated Settlement Award. As stated above, your estimated Settlement Award is based on the proportionate number of workweeks you worked during the Class Period, whether your employment with Elliott Auto ended at any time from April 6, 2017 through January 5, 2023, the proportionate number of pay periods you worked during the time period of April 6, 2019 through January 5, 2023, and the proportionate number of pay periods you worked during the PAGA Period. The information contained in Elliott Auto's records regarding each of these factors is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion no later than **<<RESPONSE DEADLINE>>**. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the **<<RESPONSE DEADLINE>>**, and mailed to the Settlement Administrator at the address specified in the Class Notice.

Send the Request for Exclusion directly to the Settlement Administrator at **<<ADMINISTRATOR CONTACT INFO>>**. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement (except for any amount due to him or her from the PAGA Amount, if applicable) and will not be bound by the terms of the Settlement (except for the release of the PAGA Released Claims, if applicable) or have any right to object, appeal, or comment on the Settlement Agreement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. All objections and correspondence must be sent directly to the Settlement Administrator, please do not send objections or correspondence to the Court. To be valid, any objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the **<<RESPONSE DEADLINE>>**.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department C-64 of the San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Amelia Salas Gurrola v. Elliott Auto Supply Co., Inc.*, San Diego County Superior Court, Case No. 37-2020-00015368-CU-OE-CTL. You need not file a written objection in order to appear at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department C-64 of the San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101. At the Final Approval Hearing, the Court will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the enhancement payment to the Class Representative, the Settlement Administrator's costs, and the amount related to the PAGA civil penalties. The location, date, and time of the Final Approval Hearing may be moved without further notice to you. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing at their own expense.**

If you plan on attending the hearing or otherwise visiting the Court, please consult the Court's website, www.sdcourt.ca.gov, for information regarding court operations during COVID-19 as well as face covering and social distancing requirements.

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Clerk's Office located at 330 West Broadway, San Diego, California 92101, during regular Court hours. You may also contact the Settlement Administrator or Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, ELLIOTT AUTO, OR IT'S ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

EXHIBIT B

NOTICE OF ESTIMATED SETTLEMENT AWARD

AMELIA SALAS GURROLA v. ELLIOTT AUTO SUPPLY CO., INC.
SAN DIEGO COUNTY SUPERIOR COURT CASE NO. 37-2020-00015368-CU-OE-CTL

Please complete and return this Form to **<<ADMINISTRATOR CONTACT INFO>>** **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Award:

According to Defendant Elliott Auto Supply Co., Inc. ("Elliott Auto") records:

- (a) you worked [REDACTED] workweeks for Elliott Auto as a non-exempt employee in California between April 6, 2016 and January 5, 2023;
- (b) you worked [REDACTED] pay periods for Elliott Auto as a non-exempt employee in California between April 6, 2019 and January 5, 2023;
- (c) you worked [REDACTED] pay periods for Elliott Auto as a non-exempt employee in California between April 8, 2019 and January 5, 2023; and
- (d) your employment with Elliott Auto **<<DID/DID NOT>>** end between April 6, 2017 and January 5, 2023.

Based on the above, your Settlement Award is estimated at \$ [REDACTED].

(IV) If you disagree with items (a)-(d) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from Elliott Auto's records, Elliott Auto's records will control unless you are able to provide documentation that establishes otherwise, and that Elliott Auto's records are mistaken. If there is a dispute about whether Elliott Auto's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Class Action Settlement" that accompanies this Form.

Date: _____

Signature: _____

**ANY DISPUTES (INCLUDING SUPPORTING DOCUMENTS) MUST BE POSTMARKED NO LATER
THAN <<RESPONSE DEADLINE>>.**

EXHIBIT 2

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

April 8, 2020

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Amelia Salas Gurrola v. Elliott Auto Supply Co., Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Amelia Salas Gurrola (“Ms. Gurrola”) in claims arising from her employment with Elliot Auto Supply Co., Inc., and Does 1 through 100 (collectively, “Elliot Auto”). Ms. Gurrola is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Elliott Auto’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. Unless otherwise noted, the “aggrieved employees” whom Ms. Gurrola seeks to represent are all current and former non-exempt employees of Elliott Auto who performed work for Elliott Auto in the State of California during the one year immediately preceding the date of this letter through the present.

Elliot Auto is in the business of distributing aftermarket products including automotive parts, garden parts, marine parts, lawn and garden parts, and other products. Ms. Gurrola worked for Elliot Auto as a non-exempt employee from approximately August 2016 to approximately March 31, 2020 in the position of Delivery Driver. As a Delivery Driver, Ms. Gurrola’s primary job duties consisted of picking up and delivering various parts to body shops, car dealerships, mechanics, and tire shops.

During Ms. Gurrola’s employment with Elliot Auto, Ms. Gurrola worked in excess of 8.0 hours per workday and/or in excess of 40.0 hours per workweek, but did not receive overtime compensation at one and one-half times her regular rate of pay for working overtime hours. Specifically, Ms. Gurrola received non-discretionary incentive pay, including safety bonuses and/or other forms of pay that are not excludable from an employee’s “regular rate” of pay (the aforementioned forms of pay are collectively referred to herein as “Incentive Pay”). Despite Elliot Auto’s payment of Incentive Pay to Ms. Gurrola, Elliot Auto failed to properly calculate Ms. Gurrola’s “regular rate” of pay, thereby causing Ms. Gurrola to be underpaid for her required overtime wages.

Additionally, Elliot Auto utilized a timekeeping system which has resulted in Ms. Gurrola and other aggrieved employees not being compensated for all hours worked, whether by rounding, time-shaving, or otherwise. Specifically, Ms. Gurrola clocked in and out for her shifts on a computer by punching in a code, but Elliot Auto only pays Ms. Gurrola and other aggrieved employees in quarter-hour increments, so that over a period of time they are deprived of all earned minimum wages. Further, on occasions when Ms. Gurrola worked over eight hours in a workday and/or forty hours in a workweek, Elliot Auto's timekeeping policies/practices have deprived her and other aggrieved employees of all overtime wages earned. Due to Elliot Auto's timekeeping practices that have failed to compensate for all hours worked, Ms. Gurrola and other aggrieved employees have not been compensated for all required minimum and overtime wages.

Ms. Gurrola and other aggrieved employees also were not authorized and permitted to take all required and legally-compliant rest periods due to Elliot Auto's rest period policies/practices. Specifically, Ms. Gurrola was not always authorized and permitted to take all legally compliant rest periods of at least a net ten minutes for each four hours worked or major fraction thereof, due to the nature of her work. Specifically, Ms. Gurrola was often required to make numerous deliveries during a workday in a back-to-back fashion, and as a result had to work periods greater than 4 hours without a paid break of at least a net 10 minutes. On those occasions when Ms. Gurrola was not provided with all legally-required and compliant rest periods to which she was entitled, Elliot Auto failed to compensate Ms. Gurrola with the required rest period premium for each workday in which she experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, Elliot Auto maintained no payroll code or other mechanism for paying rest period premiums under Labor Code § 226.7.

Ms. Gurrola and other aggrieved employees also were not provided all legally required meal periods due to Elliot Auto's meal period policies/practices. Upon information and belief, Elliot Auto often failed to provide a legally compliant meal period of at least 30-minutes commencing before the conclusion of the fifth hour of work as a result of the workload and pressure on Ms. Gurrola and other aggrieved employees to get the job done. As a result, Ms. Gurrola's meal periods were often late, short, or missed. In addition, on information and belief, Elliot Auto falsely altered Ms. Gurrola's time cards to indicate Ms. Gurrola had clocked out for 30-minute meal periods commencing before the end of the fifth hour of work on some shifts. On those occasions Ms. Gurrola was not provided with all legally-required meal periods to which she was entitled, Elliot Auto failed to compensate Ms. Gurrola the required meal period premium for each workday in which he experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the putative class period, Elliot Auto maintained no payroll code or other mechanism for paying meal period premiums under Labor Code § 226.7.

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Throughout Ms. Gurrola's employment with Elliot Auto, Elliot Auto also has failed to issue any wage statements whatsoever to Ms. Gurrola or other aggrieved employees, in violation of Labor Code § 226. With respect to this alleged violation, "aggrieved employees" refers to all of Elliot Auto's employees in California from one year prior to the date of this letter through the present.

Moreover, as a result of Elliot Auto's failure to pay all minimum and overtime wages, as well as meal and rest period premium wages, the information included on her wage statements, to the extent it was even available to Ms. Gurrola, was inaccurate with respect to, *inter alia*, total wages earned, net wages earned, total hours worked, and hours worked at each hourly rate.

As a result of the aforementioned violations, Elliot Auto also failed to timely pay all final wages owed to Ms. Gurrola and other aggrieved former employees at the time of their respective separations from employment.

Ms. Gurrola is informed and believes that Elliot Auto continues to commit the violations described herein. As described above, Elliot Auto committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 7 ("Wage Order 7"):

Overtime Violations

Elliott Auto is required to compensate non-exempt employees, including Ms. Gurrola and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 510, 558, 1194, 1198, and Wage Order 7. Wage Order 7, § 3, as well as Labor Code § 510, require an employer to pay an employee one and one-half (1½) times the employee's "regular rate" of pay for work in excess of 8 hours per workday or over 40 hours in a workweek, and for the first eight (8) hours on the seventh (7th) day of work in a workweek; and require an employer to pay an employee double the employee's regular rate of pay for work in excess of 12 hours on any workday and for work in excess of eight hours on the seventh consecutive day of work in the workweek.

As alleged above, Elliott Auto has caused Ms. Gurrola and other aggrieved employees to work overtime hours but has not compensated Ms. Gurrola or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their "regular rate" of pay for such hours.

Minimum Wage Violations

Elliott Supply was, and is, required to pay Ms. Gurrola and other aggrieved employees an hourly rate equal to at least the minimum wage for each hour worked. *See* Labor Code §§ 558, 1182.12, 1194, 1194.2, 1197, 1198, and Wage Order 7, § 4. As alleged above, Elliott Supply maintained, and continues to maintain, timekeeping policies/practices and pay policies/practices that regularly, systematically, and

impermissibly fail to compensate Ms. Gurrola and other aggrieved employees for all hours worked. As a result of these policies/practices, Ms. Gurrola and other aggrieved employees have been, and continue to be, deprived of all required minimum wages.

Rest Period Violations

As alleged herein, Elliott Auto has failed to authorize and permit Ms. Gurrola and other aggrieved employees to take all required and legally-compliant rest periods. Wage Order 7, § 12 and California Labor Code §§ 226.7, 516, 558, and 1198 establish the right of employees to be authorized and permitted to take a paid rest period of at least ten (10) minutes net rest time for each four (4) hour period worked, or major fraction thereof. But as alleged herein, Elliott Auto has failed to authorize and permit Ms. Gurrola and other aggrieved employees to take all rest periods to which they are entitled, and has failed to pay Mr. Gurrola and other aggrieved employees the additional hour of pay at their regular rate of compensation, in accordance with Labor Code § 226.7 and Wage Order 7, § 12.

Meal Period Violations

As alleged herein, Elliott Auto has failed in its affirmative obligation to provide all of their non-exempt employees in California, including Ms. Gurrola and other aggrieved employees, with all legally-compliant meal periods in accordance with the mandates of the California Labor Code §§ 204, 210, 226.7 and 512 and Wage Order 7, § 11. Despite Elliott Auto's violations, Elliot Auto has not paid an additional hour of pay to Ms. Gurrola and other aggrieved employees at their respective regular rates of compensation, in accordance with Labor Code § 226.7 and Wage Order 7, § 11.

Wage Statement Violations

Elliot Auto was required to furnish Ms. Gurrola and other aggrieved employees with accurate and itemized wage statements that included, among other requirements, all hours worked, all hours worked at each hourly rate, and all applicable hourly rates of pay. *See* Labor Code § 226(a). As alleged herein, Elliot Auto completely failed to provide Ms. Gurrola and other aggrieved employees with itemized wage statements together with their wages, as required under Section 226. Moreover, to the extent any of the information required to be included in wage statements was made available to Ms. Gurrola or other aggrieved employees, such information was inaccurate as a result of Elliot Auto's failure to pay all required overtime wages, minimum wages, and meal and rest period premium wages. As a result of these violations, Elliot Auto maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Gurrola and other aggrieved employees in violation of Labor Code § 226. Elliot Auto's failure to comply with its wage statement obligations was knowing and intentional, and Ms. Gurrola and other aggrieved employees have suffered injury as a result. Elliot Auto deprived Ms. Gurrola and other aggrieved employees of the information necessary to identify the information required under Section 226(a) or to identify discrepancies in Elliott Auto's reported data.

Failure to Pay Final Wages at Separation of Employment

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. As alleged herein, Elliott Auto has failed to timely pay Ms. Gurrola and other aggrieved employees all of their final wages at the time of separation, which included all earned minimum wages, overtime wages, and meal and rest period premium wages. Pursuant to Labor Code § 203, Elliott Auto's failure to pay all final wages due to Ms. Gurrola and other aggrieved employees was willful and, consequently, entitles Ms. Gurrola and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Elliott Auto failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Ms. Gurrola will initiate a civil action on behalf of herself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Gurrola's own investigation, and on information and belief, Elliott Auto committed and continues to commit the following Labor Code violations:

- a. Elliott Auto has violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Gurrola and other aggrieved employees all overtime and/or double-time compensation earned;
- b. Elliott Auto has violated Labor Code §§ 204, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Ms. Gurrola and other aggrieved employees at least the statutory minimum wage for all hours worked;
- c. Elliott Auto has violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit all legally required rest periods and by failing to pay rest period premiums to Ms. Gurrola and other aggrieved employees at the employees' respective regular rates of compensation for rest period violations;
- d. Elliott Auto has violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Ms. Gurrola and other aggrieved employees at the employees' respective regular rates of compensation for meal period violations;
- e. Elliott Auto has violated Labor Code § 226 by failing to furnish Ms. Gurrola and other aggrieved employees with accurate and complete itemized wage statements;
- f. Elliott Auto has violated Labor Code §§ 201-203 by failing to timely pay all final wages due to Ms. Gurrola and other aggrieved former employees upon their separation of employment;

- g. Elliot Auto violated Labor Code § 204 by failing to pay Ms. Gurrola and other aggrieved employees all wages earned at least twice during each calendar month; and
- h. Elliot Auto violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Gurrola and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3, please notify my office and Elliot Auto if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Elliott Auto Supply Co., Inc. (via certified mail)

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

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EL SEGUNDO, CA 90245

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To: [Alma Hernandez](#)
Subject: Thank you for submission of your PAGA Case.
Date: Wednesday, April 8, 2020 6:57:56 PM

4/8/2020

LWDA Case No. LWDA-CM-782373-20
Law Firm : Haines Law Group, APC
Plaintiff Name : Amelia Salas Gurrola
Employer: Elliott Auto Supply Co., Inc.

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm