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

JEANETTE JUSTON, as an individual, on
behalf of herself and all others similarly
situated,

Plaintiff,
vs.

SOSI SERVICES LLC, a Delaware Limited
Liability Company; and DOES 1 through 100,

Defendants.

CASE NO. 20STCV16867

*[Assigned for all purposes to the Hon. Rupert
A. Byrdsong, Dept. 28]*

**DECLARATION OF FLETCHER W.
SCHMIDT IN SUPPORT OF
PLAINTIFF'S MOTION FOR
SETTLEMENT APPROVAL OF CLAIMS
BROUGHT UNDER THE PRIVATE
ATTORNEYS GENERAL ACT, AND
REASONABLE ATTORNEYS' FEES AND
COSTS**

Action Filed: April 30, 2020
Trial Date: None Set

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DECLARATION OF FLETCHER W. SCHMIDT

I, FLETCHER W. SCHMIDT, declare as follows:

1. I am a Partner at the Haines Law Group, APC, and counsel for the named Plaintiff Jeannette Juston ("Plaintiff") in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 2012 graduate of Loyola Law School, Los Angeles, where I graduated *cum laude* and was awarded membership in the Order of the Coif. From August 2013 to March 2016, I worked as an associate attorney at Boren, Osher & Luftman LLP. Since March 2016 I have worked at my current firm, Haines Law Group, APC, where, in 2018, I became a Partner.

3. During my time with Boren, Osher & Luftman LLP and Haines Law Group, APC, my practice has been solely devoted to litigating plaintiff-side wage and hour class actions in California state and federal court. I am currently responsible for managing a caseload of over seventy-five (75) active wage and hour class actions in which I am integrally involved in all aspects of the litigation.

4. The following is a non-exhaustive list of class action settlements in which I have been named as Class Counsel, and which have been granted final approval:

- *Julio v. Anthony, Inc.*, Case No. CV14-03172 AB (SHx), United States District Court, Central District of California, Honorable Judge Andre Birotte, Jr. presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015);
- *Litt v. Western Stone & Metal Corp.*, Case No. 3:14-cv-02804-PJH, United States District Court, Northern District of California, Honorable Judge Phyllis J. Hamilton presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015);
- *Rubalcava v. United Towing and Transport Burbank, et al.*, Case No. BC518468, California Superior Court, County of Los Angeles, Honorable Judge Kenneth Freeman presiding (approving an hourly rate of \$350 for work performed in 2013, 2014 and 2015);

- 1 • *Rivera Regalado v. Jaguar Farm Labor Contracting*, Case No. CV 130569,
2 California Superior Court, County of San Luis Obispo, Honorable Martin J.
3 Tangeman presiding (approving an hourly rate of \$350 for work performed in 2014
4 and 2015);
- 5 • *Sanchez v. Res-Care, Inc.*, Case No. BC526175, California Superior Court, County
6 of Los Angeles, Honorable John S. Wiley presiding (approving an hourly rate of \$350
7 for work performed in 2013, 2014 and 2015);
- 8 • *Rodas v. Gateways Hospital and Mental Health Center*, Case No. BC503179,
9 California Superior Court, County of Los Angeles, Honorable Judge Amy D. Hogue
10 presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015);
- 11 • *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United
12 States District Court, Central District of California, Honorable Judge John F. Walter
13 presiding (approving an hourly rate of \$350 for work performed in 2014 and 2015);
- 14 • *Shaw v. Conant Auto Retail, San Diego*, Case No. 37-2014-00044052-CU-OE-CTL,
15 California Superior Court, County of San Diego, Honorable Judge Joan M. Lewis
16 presiding (approving an hourly rate of \$375 for work performed in 2014, 2015, and
17 2016);
- 18 • *Tirado v. Ricon Corp.*, Case No BC537042, California Superior Court, County of Los
19 Angeles, Honorable Judge John Shepard Wiley, Jr. presiding (approving an hourly
20 rate of \$375 for work performed in 2014, 2015, and 2016);
- 21 • *Tesla Motors Wage and Hour Litigation*, JCCP 4792, California Superior Court,
22 County of Santa Clara, Honorable Peter H. Kirwan presiding (approving an hourly
23 rate of \$375 for work performed in 2013, 2014, 2015, and 2016);
- 24 • *Lopez v. RM HQ LLC, et al.*, Case No. BC525592, California Superior Court, County
25 of Los Angeles, Honorable Elihu M. Berle presiding (approving an hourly rate of
26 \$375 for work performed in 2013, 2014, 2015, and 2016);
- 27 • *Horta v. Searles Valley Minerals, Inc.*, Case No. CIVDS 1507615, California
28 Superior Court, County of San Bernardino, Honorable Donald Alvarez presiding

- (approving an hourly rate of \$375 for work performed in 2015 and 2016);
- *Mansilla v. Haeco Americas Line Services, LLC, et al*, Case No. BC615310, Superior Court of California, County of Los Angeles, Honorable Judge Elihu M. Berle presiding (approved at an hourly rate of \$425 for work performed in 2016 and 2017);
 - *Khosravi v. Enterprise Rent-A-Car Company of Los Angeles, LLC, et al.*, Case No. 30-2016-00829923-CU-OE-CXC, Superior Court of California, County of Orange, Honorable Judge Thierry Patrick Colaw presiding (approved at an hourly rate of \$425 for work performed in 2016 and 2017);
 - *Nieves v. Ta Chen International, Inc.*, Case No. BC609005, Superior Court of California, County of Los Angeles, Honorable Judge Kenneth R. Freeman presiding (approved at an hourly rate of \$425 for work performed in 2016 and 2017);
 - *Berkel v. Pride Bakeries, LLC*, Case No. 30-2017-00923148-CU-OE-CXC, Superior Court of California, County of Orange, Honorable Judge William Claster presiding;
 - *Ruvalcaba Quiroz v. Circle M Contractors, Inc.*, Case No. 30-2016-00885065-CU-OE-CXC, Superior Court of California, County of Orange, Honorable William D. Claster presiding;
 - *Armenta, et al., v. California Friends Homes d/b/a Quaker Gardens*, Case No. 30-2016-00883282-CU-OE-CXC, Superior Court of California, County of Orange, Honorable Randall J. Sherman presiding (approving an hourly rate of \$425 for work performed in 2016, 2017 and 2018);
 - *Sandra Zinnerman v. Tumbleweed Educational Enterprises, Inc.*, Case No. BC673708, Superior Court of California, County of Los Angeles, Honorable Maren E. Nelson presiding (approving an hourly rate of \$425 for work performed in 2016, 2017, and 2018);
 - *Tina Arellano v. Williams Sonoma Stores, Inc.*, Case No. BC693760, Los Angeles County Superior Court, Honorable Daniel J. Buckley, presiding (approving an hourly rate of \$475 for work performed in 2018 and 2019);

- *William Cuellar v. UMA Enterprises, Inc.*, Case No. BC657146, Los Angeles County Superior Court, Honorable Maren E. Nelson, presiding (approving an hourly rate of \$475 for work performed in 2017, 2018 and 2019);
- *Maria C. Garcia, et al. v. Simplified Labor Staffing Solutions, Inc.*, Case No. BC696898, Los Angeles County Superior Court, Honorable Elihu M. Berle, presiding (approving an hourly rate of \$475 for work performed in 2018 and 2019);
- *Arturo Delgado v. Spears Manufacturing Co.*, Case No. BC709665, Los Angeles County Superior Court, Honorable Maren E. Nelson, presiding (approving an hourly rate of \$595 for work performed in 2018, 2019 and 2020); and
- *Soto v. L I Metal Systems*, Case No. 37-2017-00009607-CU-OE-CTL, San Diego County Superior Court, Honorable Timothy Taylor, presiding (approving an hourly rate of \$595 for work performed in 2017-2020).

5. I have also moved to certify and have received an order certifying a class action and/or conditionally certifying a collective action as Class Counsel in the following cases:

- *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge Gail A. Andler presiding (certifying a class of employees who were misclassified as independent contractors);
- *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United States District Court, Central District of California, Honorable Judge Beverly Reid O'Connell presiding (conditionally certifying an unpaid FLSA overtime wage class);
- *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge John F. Walter presiding (certifying a rest period violation class and conditionally certifying a FLSA unpaid overtime wage 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 Judge 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. 30-2015-00775372-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge Glenda Sanders presiding (certifying five separate classes for claims for unpaid wages, unreimbursed expenses, failure to authorize and permit rest periods, and derivative claims);
 - *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); and
 - *Staublein v. Wells Fargo Bank, National Association*, Case No. CIVDS1712267, San Bernardino Superior Court, Honorable David Cohn presiding (certifying a wage statement class).

6. In 2018, 2019 and 2020, Thomson Reuters and Los Angeles Magazine recognized me as a Top Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of forty in Southern California each year.

7. As counsel for Plaintiff, I have been intimately involved in all aspects of this litigation from its inception, and believe that the proposed Settlement is a fair and reasonable result for the aggrieved employees and the State of California.

1 8. SOSi, through an ongoing contract with the Department of Justice, provides
2 interpretation services at immigration court proceedings throughout the United States. Plaintiff
3 and the PAGA Group Members worked as interpreters for SOSi provided interpretation services
4 under contract with SOS International LLC in California during the Settlement Period.

5 9. On April 30, 2020, Plaintiff filed a class action complaint against SOSi, alleging
6 five causes of action for SOSi's: (1) minimum wage violations; (2) rest period violations; (3)
7 wage statement violations; (4) failure to indemnify all necessary business expenditures; and (5)
8 engagement in unfair competition.

9 10. On May 1, 2020, Plaintiff provided written notice to SOSi via certified mail, and
10 to the LWDA via online submission, describing SOSi's alleged Labor Code violations, as
11 required by Labor Code section 2699.3. On July 7, 2020, after exhausting her pre-filing
12 requirements, Plaintiff amended her complaint to add a cause of action for civil penalties under
13 PAGA based on the underlying Labor Code violations. A true and correct copy of Plaintiff's
14 May 1, 2020 PAGA letter is attached hereto as **Exhibit B**. A true and correct copy of the
15 LWDA's Confirmation of Receipt of Complaint is attached hereto as **Exhibit C**.

16 11. On September 3, 2020, the parties attended a full-day mediation session with Jeff
17 Ross, Esq., an experienced wage and hour mediator. In connection with mediation, Plaintiff
18 requested a sample of timekeeping records and . As the PAGA Group Members were not
19 employees of SOSi, SOSi provided Plaintiff with a sample of Certificate of Interpretation Forms
20 (COI forms required by the DOJ showing the immigration court hearing times), relevant policies
21 and agreements, and several data points, including: the total number of work orders worked by
22 interpreters during the PAGA Period, total weeks in which a work order was performed by
23 interpreters during the PAGA Period, and the total number of interpreters who provided
24 language interpretation and translation services to the DOJ for SOSi during the PAGA Period.
25 Plaintiff and her Counsel used this data to calculate SOSi's maximum potential exposure for civil
26 penalties under the PAGA.

27 12. During mediation, the parties debated the legal bases for their claims and
28 defenses, their respective data analyses, their respective positions regarding the extent to which

1 the Court would likely reduce any PAGA penalties recovered, as well as the impact of SOSi's
2 arbitration agreements. With the help of Mr. Ross, the Parties reached a class-wide resolution at
3 the conclusion of the mediation. A true and correct copy of the Settlement Agreement
4 ("Settlement Agreement") is attached hereto as **Exhibit A**.

5 13. Plaintiff alleges that SOSi misclassified her and other PAGA Group Members
6 who provided interpretation services for SOSi at United States Immigration Courts in California
7 as independent contractors. Plaintiff contends that because SOSi's core business is providing
8 interpretation services, and Plaintiff and other PAGA Group Members provide those
9 interpretation services for SOSi, they do not "perform work that is outside the usual course of
10 [SOSi's] business." Thus, they do not meet the ABC test for independent contractor status
11 adopted by the California Supreme Court and codified into law by California Assembly Bill 5
12 ("AB 5"), and should have been classified as employees.

13 14. SOSi contends that their business is not to provide interpretation services but
14 rather to provide technical support and solutions to the aerospace, defense, and government
15 service industries and therefore, Plaintiff and other PAGA Group Members performed work that
16 is outside the usual course of SOSi's business. SOSi further contend that Labor Code § 2777
17 which became effective on September 4, 2020, exempts SOSi from the requirements of AB 5 by
18 way of the referral agency exemption. If either of the above challenges or efforts are successful,
19 Plaintiff's claims would be subject to the common law *Borello* test and SOSi contends, that under
20 *Borello*, Plaintiff and other PAGA Group Members would be properly classified as independent
21 contractors because, among other things, interpreters select which court appearances they work,
22 are not directly supervised, and are required to supply their own tools. SOSi also contends that a
23 majority of the 284 interpreters who have performed at least one work order in the immigration
24 courts during the time period worked on such a sporadic basis (they may specialize in a rare or
25 uncommon language or have other clients or jobs that limit the time they can perform work
26 orders) that it is unlikely that such interpreters would be found to be under SOSi's control.
27 Moreover, SOSi pointed to the possibility that the Legislature might also offer a solution for
28 employers whom allegedly did not receive advance notice of Dynamex's "ABC test" and

1 therefore could not have acted willfully in the classification of the interpreters in violating the
2 ABC test. Further, SOSi argues that Plaintiff could only seek PAGA penalties at the minimum
3 \$5,000 violation rate, as opposed to the maximum \$15,000 violation rate under Labor Code §
4 226.8, since SOSi has never been put on notice by a court or the Labor Commissioner that its
5 practices violated the Labor Code and therefore, did not willfully misclassify Plaintiff and other
6 interpreters.

7 15. Plaintiff maintains SOSi paid its interpreters on a piece-rate basis, whereby they
8 were paid a fixed amount per appearance with an additional hourly rate if the appearance lasted
9 more than three hours. For instance, Plaintiff was compensated at a rate of \$135.00 per in-person
10 appearance. If the appearance itself (not including required pre- and post-appearance work, as
11 discussed below) went over three hours in duration, then Plaintiff was compensated an additional
12 \$45 dollars per hour for each hour in excess of three hours. Plaintiff asserts that under this piece-
13 rate pay plan, SOSi failed to separately compensate her and other PAGA Group Members for
14 non-productive time, including time spent completing pre- and post-appearance tasks, such as:
15 reviewing work orders and filling out the COI form, undergoing security checks, checking in/out
16 at the clerk's window, assembling and disassembling equipment, waiting in court for the
17 Interpreter's case to be called, and traveling to and from court appearances, completing billing
18 records at the end of each week, among other tasks.

19 16. SOSi contends Plaintiff and other PAGA Group Members work minimal (if any)
20 "nonproductive" time, as the activities mentioned above are all "directly related" to providing
21 interpretation services and thus do not qualify as "nonproductive" time that must be separately
22 compensated. SOSi further argue that Plaintiff and other PAGA Group Members were not paid
23 on a piece rate basis but were paid hourly and therefore, SOSi is not obligated to pay Plaintiff
24 and other PAGA Group Members for non-productive time. SOSi also argues that it actually over-
25 compensates its interpreters as a result of its practice of paying its interpreters for a minimum of
26 three-hours of pay per appearance even though most appearances do not last three-hours. Finally,
27 SOSi contends that to the extent Plaintiff and other PAGA Group Members did work "non-
28 productive" time, it was not recorded and therefore, there is no common evidence of whether an

1 employee worked non-productive time or not, which would devolve into an unmanageable series
2 of mini-trials.

3 17. Plaintiff asserts that SOSi does not maintain a written rest period policy and, in
4 practice, Plaintiff and other interpreters were often unable to take all required rest periods.
5 Plaintiff also alleges that, because interpreters are paid on a piece-rate basis, SOSi is required to
6 separately pay them for rest periods but failed to do so. SOSi responds by asserting that
7 appearances rarely lasted over 3.5 hours and therefore, interpreters were not entitled to a ten-
8 minute rest period during their shifts. SOSi further asserts that Plaintiff and other PAGA Group
9 Members were free to take rest periods whenever they wanted as they were not directly
10 supervised by SOSi, and any interpreter who did not take a rest period did not do so as a result
11 of any policy or practice of SOSi. Id. SOSi also argues that Plaintiff and other PAGA Group
12 Members were not paid on a piece rate basis but were paid by the hour, and therefore, SOSi is
13 not required to pay them separately and hourly for rest periods. Lastly, SOSi argues that this
14 claim is unmanageable, as it requires individualized inquiries into why each PAGA Group
15 Member failed to take a lawful rest period and on which days, resulting in an unmanageable
16 series of mini-trials.

17 18. Plaintiff alleges that SOSi failed to reimburse Plaintiff and other PAGA Group
18 Members for required work expenditures, including the purchase of required tools and
19 instrumentalities, such as sound enhancing equipment, pens, and paper. Additionally, Plaintiff
20 alleges that SOSi failed to reimburse Plaintiff and other PAGA Group Members for out-of-
21 pocket travel expenses, including mileage in traveling to and from appearances, parking, and
22 other costs in violation of California law.

23 19. In response, SOSi contends that commute-related expenses are not required to be
24 reimbursed, just as commute time is not compensable. SOSi also counters that because
25 interpreters often work for multiple agencies simultaneously, and because interpreters can use
26 their tools and instrumentalities to perform work for other agencies, SOSi should not be solely
27 responsible for reimbursement of these expenses, even if interpreters are found to be employees.
28 SOSi also contends that the interpreters are compensated for transportation and housing costs for

1 travel assignments. Finally, SOSi argues that this claim is unmanageable, as it requires
2 individualized inquiries into how much money was spent, which tools and/or equipment were
3 purchased, and the distance, duration and frequency of travel time, resulting in an unmanageable
4 series of mini-trials.

5 20. As a result of SOSi's misclassification of interpreters as independent contractors,
6 failure to pay all earned wages, failure to pay rest period premiums, and failure to reimburse for
7 business expenses, Plaintiff asserts SOSi failed to issue accurate itemized wage statements, and
8 failed to timely pay all final wages to former interpreters. Plaintiff further alleges that SOSi
9 violated Labor Code § 226 (a) because its wage statements failed to list the total hours worked,
10 the number of piece rate units earned and the applicable piece rate, the inclusive dates of the
11 period, the last four digits of the employee's social security number or an employee identification
12 number, and the correct name of the legal entity that is the employer. In response, SOSi argues
13 that for the reasons stated above, including their exemption from the requirements of AB 5 as a
14 referring agency, Plaintiff's underlying allegations have no merit, and as a result, the wholly
15 derivative wage statement and final wage allegations will fail as well. SOSi also argues that its
16 wage statements always reflected the accurate amount of money paid to employees, and therefore
17 it would not face any liability for a failure to issue accurate wage statements under Labor Code
18 § 226.

19 21. SOSi also maintains that given its good-faith defenses, this Court would exercise
20 its discretion to substantially reduce any PAGA penalties awarded. Further, SOSi argues that
21 Plaintiff could only seek PAGA penalties at the \$100 "initial" violation rate, as opposed to the
22 \$200 "subsequent" violation rate, since SOSi had never been put on notice by a court or the
23 Labor Commissioner that its practices violated the Labor Code until Plaintiff initiated this action.

24 22. Plaintiff maintains that she would be able to seek PAGA penalties for each PAGA
25 Group Member employed by SOSi during the PAGA period for SOSi's misclassification of
26 employees under Labor Code § 226.8. Based on the data provided by SOSi, there were
27 approximately 284 Interpreters employed by SOSi during the PAGA Period. Assuming a \$5,000
28 penalty per employee under Labor Code § 226.8, Plaintiff estimated a PAGA exposure of

1 \$1,420,000. However, given SOSi's defenses to misclassification, Plaintiff discounted the
2 maximum figure by 75% for a risk of losing on the merits, and by an additional 50% for the risk
3 of being unable to proceed on a representative basis and/or this Court reducing penalties, to arrive
4 at an estimated exposure of \$177,500.

5 23. Plaintiff further maintains that she would be able to seek PAGA penalties for each
6 PAGA Group Member employed by SOSi during the PAGA period, even if SOSi prevailed on
7 its misclassification defense. Based on the data provided by SOSi, PAGA Group Members
8 worked a combined total of 6,041 pay periods during the PAGA period. Thus, assuming that
9 Plaintiff could prove at least one underlying Labor Code violation in each pay period within the
10 PAGA period, Plaintiff estimates SOSi's maximum PAGA exposure at \$604,100.00 (calculated
11 from 6,041 pay periods at \$100 per violation). However, these penalties derive from the
12 underlying wage and hour violations discussed above, which SOSi disputes. Plaintiff also
13 recognizes, that the Court has discretion to reduce any award of PAGA penalties where it views
14 them as duplicative. Plaintiff therefore discounted the maximum figure by 50% for the risk of
15 being unable to proceed on a representative basis and an additional 25% to account for the risk
16 of losing on the merits and/or of this Court reducing penalties, to arrive at an estimated exposure
17 of \$226,538.

18 24. The proposed Settlement of \$400,000.00 represents slightly more than 100% of
19 Plaintiff's reasonably forecasted recovery, while avoiding the risks of proceeding through trial.
20 After deducting amounts for requested attorneys' fees (\$133,333.00), attorney costs (\$9,613.65),
21 incentive award to named Plaintiff (\$5,000.00), and settlement administration costs (\$2,750.00),
22 the Settlement provides for a Net Settlement Amount ("NSA") of approximately \$249,303.35.

23 25. Plaintiff's Counsel requests one-third of the Gross Settlement Amount,
24 \$133,333.00, in attorneys' fees. Based on my experience in similar wage and hour class and
25 representative actions in California state courts, fee awards in matters such as this one generally
26 equal about one-third of the gross recovery. In addition, and as explained in the accompanying
27 Motion, the requested fee is fair compensation for undertaking complex, risky, expensive, and
28 time-consuming litigation on a purely contingent basis. My firm's efforts in litigating this action

1 include conducting pre-filing investigation, legal research and analysis regarding the merits of
2 Plaintiff's claims, Plaintiff's ability to recover penalties under the PAGA, and Defendant's
3 potential defenses, reviewing documents and data provided by Defendant prior to mediation,
4 building a comprehensive damages model, drafting a mediation brief, preparing for, traveling to,
5 and attending mediation, negotiating and preparing the Memorandum of Understanding, drafting
6 the long-form Settlement Agreement and Notice documents, preparing this Motion for settlement
7 approval and supporting declarations, and otherwise litigating the case.

8 26. Plaintiff's counsel is requesting reimbursement of \$9,613.65 in total costs. A
9 summary of the costs incurred by my office in connection with this case is attached hereto as
10 **Exhibit D**. These costs include filing fees, copying costs, mediation fees, and other expenses
11 that were all reasonably incurred in the prosecution of this litigation on behalf of Plaintiff, the
12 State of California, and the Aggrieved Employees.

13 27. Plaintiff seeks an incentive award of \$5,000.00. This request is reasonable given
14 Plaintiff's efforts in this case, the significant time devoted to the prosecution of this action, and
15 the risks she undertook on behalf of the PAGA Group Members and the State of California.
16 Plaintiff devoted significant effort to searching for employment-related documents, provided
17 substantial factual information and documents to my office, and had multiple in-depth
18 discussions with myself and others from my office to discuss the facts, legal theories at issue,
19 and general case strategy. Attached hereto as **Exhibit E** are true and correct copies of Orders
20 granting Incentive Payments in PAGA-Only settlements.

21 28. The parties have agreed to engage Phoenix Settlement Administrators
22 ("Phoenix") as the third-party settlement administrator. Plaintiff requests \$2,750 in
23 administration fees to be approved for Phoenix. This will cover all costs incurred by Phoenix in
24 connection with the settlement of this matter. Jodey Lawrence of Phoenix has executed a
25 declaration, submitted concurrently herewith, which describes Phoenix's extensive experience
26 as settlement administrator and includes a copy of the settlement administration bid that Phoenix
27 provided in this matter.
28

1 29. Concurrently with the filing of this motion, Plaintiff provided notice of the
2 proposed Settlement to the LWDA. Attached hereto as **Exhibit F** are true and correct copies of
3 Plaintiff's Settlement submission and the LWDA's confirmation of receipt.

4 I declare under penalty of perjury under the laws of California and the United States that
5 the foregoing is true and correct. Executed on February 22, 2021, at El Segundo, California.

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9 Fletcher W. Schmidt
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EXHIBIT A

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Settlement”) is made and entered into between Plaintiff Jeanette Juston, acting in her capacity as a private attorney general, and Defendants SOS International LLC and SOSi Services LLC (collectively “Defendants”).

I. DEFINITIONS

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

1. “Action” means the matter entitled *Juston v SOSi Services LLC*, Los Angeles Superior Court, Case No. 20STCV16867 and as set forth in Plaintiff’s correspondence to the LWDA, dated May 1, 2020.

2. “PAGA Group Members” consist of all interpreters who are, or were, party to an independent contractor agreement with SOS International LLC (“SOSi”) to provide interpretation services in the United States Immigration Courts and who provided these interpretation services in the Immigration Courts in California at any time between May 1, 2019 and the date of Preliminary Approval of Settlement or December 13, 2020, whichever happens first.

3. “Defendants” means SOSi Services LLC and SOS International LLC .

4. “Court” means the Superior Court of California for the County of Los Angeles.

5. “Effective Date” means the date upon which the Court enters an Order approving the Settlement.

6. “Individual Settlement Payment” means the amount to be paid to each PAGA Group Member based on the formula described herein.

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

8. “Gross Settlement Amount” is the non-reversionary sum of Four Hundred Thousand Dollars and Zero Cents (\$400,000.00), which represents the total amount payable under this Settlement by Defendants (subject to the Escalator Clause described below), including, without limitation, payments to all PAGA Group Members, payment to the LWDA, payment of Plaintiff’s attorneys’ fees and costs, payment of Plaintiff’s enhancement award, and payment to the Settlement Administrator for administration costs.

9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and PAGA Group Members after the following amounts (subject to Court approval) are subtracted from the Gross Settlement Amount: (a) Plaintiff’s attorneys’ fees up to one-third of the Gross Settlement Amount, currently estimated at \$133,333.00; (b) Plaintiff’s reasonable verified litigation costs up to \$17,500.00; (c) Plaintiff’s representative incentive award of \$5,000.00; and (d) reasonable third-party administration costs up to \$2,750.00.

10. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code section 2698, *et seq.*

11. “Settlement Period” means the time period from May 1, 2019 through the date of Preliminary Approval of Settlement or December 13, 2020, whichever happens first.

12. “PAGA Released Claims” mean all claims that were or could have been alleged under the PAGA based on the facts alleged in the litigation, including, but not limited to any PAGA claim for violation of California Labor Code sections 201-203, 204, 226(a), 226.7, 226.8, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802 and 2804 and all claims that were or could have been alleged based on the facts alleged in the Operative Complaint and any similar claims and any related state statutory and/or civil penalties, which were alleged or could have been alleged based on the facts of the Complaint, for the Settlement Period.

13. “Parties” means Plaintiff and Defendants.

14. “Plaintiff” means Jeanette Juston.

15. “Plaintiff’s Counsel” means Paul K. Haines, Fletcher W. Schmidt, and Alexandra R. McIntosh of Haines Law Group, APC.

16. “Settlement Administrator” means Phoenix Settlement Administrators.

17. “Released Parties” means Defendants and all entities affiliated with them, , and all officers, directors, representatives, owners, partners, subsidiaries, parent companies, joint venturers, clients, joint employers, predecessors, managers, servants, successors-in-interest, assigns, current and former employees of the Defendants, agents, insurers, attorneys and all persons or entities acting in concert with or affiliated with any of them.

II. RECITALS

1. Plaintiff alleges that Defendants: (i) misclassified its interpreters as independent contractors; (ii) failed to pay the minimum wage for all hours worked; (iii) failed to authorize and permit all lawful rest periods; (iv) failed to issue accurate and itemized wage statements, and (v) failed to indemnify all necessary business expenditures, and is therefore liable for civil penalties under PAGA. Defendants deny these allegations and, in making this Settlement, Defendants do not admit the sufficiency of any claims, allegations, assertions, or contentions made against them in the Action.

2. On May 1, 2020, Plaintiff provided written notice of her intent to file a claim for civil penalties under PAGA to the LWDA and Defendants, alleging that Defendants violated California Labor Code sections 201-203, 204, 226(a), 226.7, 226.8, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802 and 2804, as described in Section II.1.

3. On July 7, 2020, Plaintiff filed a class and representative action complaint titled *Juston v SOSi Services LLC*, Los Angeles Superior Court, Case No. 20STCV16867 alleging SOSi Services LLC: (i) failed to pay minimum wage for all hours worked; (ii) failed to authorize and permit all lawful rest periods; (iii) failed to issue accurate and itemized wage statements; (iv) failed to indemnify all necessary business expenditure; (v) engaged in unlawful business practices; and (vi) is liable for civil penalties under PAGA. Plaintiff erroneously sued SOSi Services LLC. All of the PAGA Group Members entered into independent contractor agreements only with SOSi. No PAGA Group Members entered into independent contractor agreements with SOSi Services LLC.

On or about December 8, 2020, Plaintiff amended the complaint to add SOS International LLC as a Defendant.

4. On October 13, 2020, Plaintiff's individual and class claims were dismissed without prejudice, leaving Plaintiff's PAGA claim as the sole remaining claim in the Action.

5. In response to Plaintiff's Counsel's informal discovery requests made pursuant to mediation, Defendants' counsel provided Plaintiff's Counsel with information and documents pertaining to Plaintiff and other PAGA Group Members in order for Plaintiff's Counsel to investigate Plaintiff's allegations and value the PAGA claim.

6. On September 3, 2020, the Parties participated in a full-day mediation with Jeffrey A. Ross, Esq. With the assistance of Mr. Ross, the Parties agreed to resolve the PAGA Released Claims fully and finally as to Plaintiff and the PAGA Group Members

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement shall be construed to be an admission by Plaintiff that her claims do not have merit or by Defendants of any liability or wrongdoing as to Plaintiff, PAGA Group members, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability.

2. **Gross Settlement Amount.** Defendants shall pay Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) as the non-reversionary Gross Settlement Amount. The Gross Settlement Amount shall be used to satisfy all Defendants' liabilities arising from the settlement, including (a) the payment of PAGA Penalties, 75% of which shall be paid to the Labor and Workforce Development Agency ("LWDA") and 25% of which shall be distributed to the PAGA Group Members, (b) interest, (c) administrator costs, (d) Plaintiff's attorneys' fees and costs, and (e) the incentive award for the Plaintiff. Defendants will not pay more than the Gross Settlement Amount (subject to the Escalator Clause discussed below). Defendants shall deposit the Gross Settlement Amount with the Settlement Administrator within ninety (90) calendar days after the Effective Date.

3. **Escalator Clause.** Defendants represent that there are an estimated 25,500 work orders during the Settlement Period, with a 10% margin of error. If the number of work orders in the Settlement Period exceeds 25,500 by more than 10%, the parties will increase the Gross Settlement Amount by a proportionate amount to capture the amount of workweeks exceeding 10% of 25,500. Distributions will be based on work orders.

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and PAGA Group Members:

a. Plaintiff's Attorneys' Fees and Costs. Defendants will not oppose Plaintiff's request for attorneys' fees in the amount of up to one-third of the Gross Settlement Amount (currently estimated to be \$133,333.00) and actual costs incurred in prosecuting this Action, up to \$17,500.00. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report these payments on IRS Form 1099 issued to Plaintiff's Counsel.

b. Plaintiff's Incentive Award. Defendants will not oppose Plaintiff's request for an incentive award in the amount of \$5,000.00 for her service to the State of California and the PAGA Group Members, and the risk Plaintiff undertook by attaching her name to this Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to Plaintiff.

c. Administration Costs. Defendants will not oppose the Settlement Administrator's costs in the amount up to \$2,750.00 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. Allocation of Net Settlement Amount. The Net Settlement Amount shall be distributed 75% to the LWDA and 25% to the PAGA Group Members, pursuant to Labor Code section 2699(i). The 25% portion to be paid to PAGA Group Members shall be paid to all PAGA Group Members.

Individual Settlement Payments to PAGA Group Members shall be calculated and distributed based on their proportionate number of work orders worked during the Settlement Period, by multiplying the Net Settlement Amount by a fraction, the numerator of which is the PAGA Group Members' total work orders worked during the Settlement Period, and the denominator of which is the total number of work orders worked by all PAGA Group Members during the Settlement Period.

6. PAGA Released Claims. Plaintiff agrees that upon entry of an Order approving the Settlement, Plaintiff and the PAGA Group Members will release any and all PAGA Released Claims against the Released Parties that arose during the Settlement Period. Upon entry of the Order approving the Settlement and judgment entered thereon, Plaintiff and the PAGA Group Members will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the Settlement Period against the Released Parties. This release will become effective upon the Effective Date.

7. Covenants and Representations by Plaintiff.

a. Plaintiff represents and warrants that she has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Plaintiff acknowledges that she has read this Settlement, that she fully understands her rights, privileges and duties under the Settlement, and enters into this Settlement freely and

voluntarily. Plaintiff further acknowledges that she had the opportunity to consult with her attorneys to explain the terms of this Settlement and the consequences of signing this Settlement.

8. **Confidentiality**. Except as provided below, to the extent necessary to effectuate the Settlement or as required by court or legal process, Plaintiff and her counsel warrant that prior to Approval they will not disclose, disseminate and/or publicize, cause or permit to be disclosed, disseminated or publicized, any of the terms of this Term Sheet or the Long Form Settlement Agreement directly or indirectly, specifically or generally, to any person, corporation, association, governmental agency, or other entity except: (1) to their attorneys, accountants, or spouses, all of whom will also be instructed to keep this agreement confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in response to an order of a court of competent jurisdiction or a subpoena issued under the authority thereof; or (4) in response to an inquiry or subpoena issued by a state or federal governmental agency. It is understood and agreed that notice of receipt by Plaintiff of any such judicial or agency order, inquiry or subpoena shall immediately be communicated by the recipient to counsel for Defendants telephonically, and then confirmed immediately thereafter in writing, so that Defendants will have an opportunity to intervene to assert what rights it may have to non-disclosure prior to responses to said order, inquiry or subpoena. Plaintiff specifically warrants that she will not directly or indirectly initiate any conversation or other communication with any person regarding this Agreement, or the matters giving rise to this Agreements prior to Approval. If asked about this Agreement or the matters giving rise to this Agreement, Plaintiff shall respond by stating only that “the matter was resolved,” or words to that effect.

To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiff’s Counsel will file the Settlement with the Court and submit the Settlement to the LWDA as part of the Parties’ seeking Court approval of the Settlement, per Labor Code section 2699(1)(2).

9. **Publicity**. Neither side shall publicize the settlement, including but not limited to communications through any social media, unless so ordered by the Court.

10. **Judgment**. As part of the Motion to approve the Settlement, Plaintiff shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering an order as set forth herein. The order will not release or bar any claims other than the PAGA Released Claims as to Plaintiff and PAGA Group Members. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for the approval of this Settlement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator**. The Parties agree to use Phoenix Settlement Administrators to handle the administration of this Settlement.

2. **Provision of Information for PAGA Group Members**. Within ten (10) business days after the Effective Date, Defendants shall provide the Settlement Administrator with information for PAGA Group Members. Defendants will, in good faith, compile from its records

a list of PAGA Group Members that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each PAGA Group Member's full name, last known mailing address, last known telephone number, the number of work orders during the Settlement Period, and Social Security numbers. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement.

Within ten (10) business days of receiving the PAGA Group Members' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall also determine whether the Escalator Clause has been triggered. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

3. **Explanatory Letter and Individual Settlement Payments**. Upon receipt of the information for PAGA Group Members, the Settlement Administrator will perform a search on the National Change of Address database to update the PAGA Group Members' addresses.

Within five (5) business days after the Gross Settlement Amount is deposited, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, along with the Individual Settlement Payments to all PAGA Group Members via First-Class U.S. Mail.

Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099. Checks will remain negotiable for one hundred eighty (180) days from the date they are mailed by the Settlement Administrator. Any check that is not negotiated within one hundred eighty (180) days of mailing to a PAGA Group Member shall be transferred to the Controller of the State of California per California's Unclaimed Property Law to be held in the name of the PAGA Group Member.

4. **Undeliverable Letters**. Any Explanatory Letters 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 Explanatory Letter. If an updated mailing address is identified, the Settlement Administrator shall resend the Explanatory Letter to the PAGA Group Member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each PAGA Group Member.

Defendants fully discharge their obligations to those PAGA Group Members to whom they will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by PAGA Group Members.

5. **Payment of Remainder**. Within five (5) business days after the Gross Settlement Amount is deposited, the Settlement Administrator will mail the following payments: (1) the 75%

share of the Net Settlement Fund to the LWDA; (2) Court-approved attorneys' fees and costs to Plaintiff's Counsel; (3) Court-approved incentive payment to Plaintiff; and (4) Court-approved administration costs to the Settlement Administrator.

6. **Uncashed Checks.** Any settlement checks remaining uncashed after one hundred and eighty (180) days shall be deemed unpaid residuals pursuant to California Code of Civil Procedure Section 384(a) and such unpaid residuals shall be made payable to the National Center for Youth Law, which is a 501(c)(3) organization dedicated to promoting the well-being of children. The Parties agree to avoid any potential interest obligation under California Civil Procedure sections 382-384, *et seq.*

7. **Accounting.** The Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement as soon as practicable after the check cashing deadline described in Section IV.3.

8. **Tax Consequences.** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each PAGA Group Member. The PAGA Group Members shall be responsible for paying all applicable state, local and federal income taxes on amounts received pursuant to this settlement and they shall not seek indemnification from Defendants in this regard. In the event any taxing authority asserts that the characterization of the settlement payments hereunder are inappropriate and/or any PAGA Group Member fails to pay any tax liability resulting from the payments made hereunder, and Defendants is made to pay any taxes, settlements, interests, penalties and/or other sums to a taxing authority as a result, the PAGA Group Member shall fully indemnify and reimburse Defendants for any and all such payments upon demand. Neither Plaintiff nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Successors.** This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

2. **Governing Law.** This Settlement shall be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Los Angeles.

3. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action. This Settlement cannot be amended or modified except by a writing signed by the Parties hereto.

4. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason,

then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

5. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction per California Code of Civil Procedure section 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

6. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

7. **Authorization to Enter into Settlement.** Counsel for the Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If they are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of Jeffrey Ross, Esq. to resolve such disagreement.

8. **Execution and Counterparts.** This Settlement is subject only to the execution of the Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

9. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Action, and have arrived at this Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

10. **Invalidity of Any Provision.** Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable.

11. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the Settlement's enforceability or validation of the term or provision.

12. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

13. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

14. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

15. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

16. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

17. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

18. **Denial of Liability.** The Parties expressly recognize that the making of this Settlement does not in any way constitute an admission or concession of wrongdoing on the part of Defendants. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of this Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement may be used in any Court proceeding that has as its purpose the interpretation, implementation or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

JEANETTE JUSTON

Dated: Jan 29, 2021

By: 
Jeanette Juston (Jan 29, 2021 19:19 PST)
Jeanette Juston
Plaintiff

SOS INTERNATIONAL LLC

Dated: _____

By: _____

Name: _____

Title: _____
SOS International LLC; SOSi Services LLC

APPROVED AS TO FORM AND CONTENT:

Dated: _____

HAINES LAW GROUP, APC

By: 

Fletcher W. Schmidt
Attorneys for Plaintiff

Dated: _____

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

By: _____
Kenneth D. Sulzer
Attorneys for Defendants

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

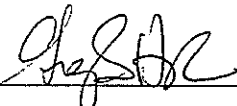
JEANETTE JUSTON

Dated: _____

By: _____
Jeanette Juston
Plaintiff

SOS INTERNATIONAL LLC

Dated: _____

By:  _____
Name: Gregory S. Hayken
Title: COO + General Counsel
SOS International LLC; SOSi Services LLC

APPROVED AS TO FORM AND CONTENT:

Dated: _____

HAINES LAW GROUP, APC

By: _____
Fletcher W. Schmidt
Attorneys for Plaintiff

Dated: 2/4/21

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

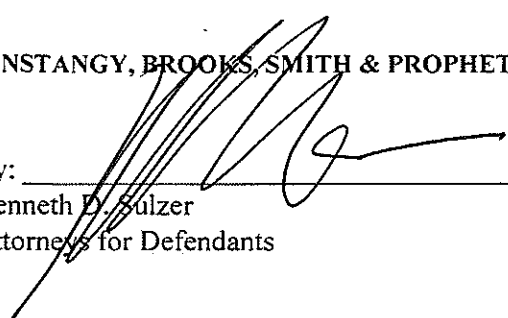
By:  _____
Kenneth D. Sulzer
Attorneys for Defendants

EXHIBIT A

NOTICE OF PAGA SETTLEMENT AND RELEASE OF CLAIMS

Jeanette Juston v. SOSi Services LLC, et al.

Los Angeles Superior Court, Case No. 20STCV16867

[NAME]
[ADDRESS]
[CITY], [STATE] [ZIP CODE]
XXX-XX-[LAST 4 SSN]

I. NOTICE OF PAGA SETTLEMENT

The Los Angeles County Superior Court (the “Court”) has approved the PAGA Settlement Agreement (“Settlement”) in the above-captioned lawsuit filed by Jeannette Juston (“Plaintiff”) on behalf of herself and all other aggrieved interpreters, including you.

In this lawsuit, Plaintiff seeks to recover civil penalties for alleged violations of a California law known as the Private Attorneys General Act (“PAGA”). Plaintiff is acting as a “private attorney general” on behalf of the California Labor and Workforce Development Agency (“LWDA”) and other aggrieved employees. Plaintiff alleges that PAGA penalties are owed because Defendants SOS International LLC and SOSi Services LLC (collectively “SOSi”): (i) misclassified its interpreters as independent contractors; (ii) failed to pay the minimum wage for all hours worked; (iii) failed to authorize and permit all lawful rest periods; (iv) failed to issue accurate and itemized wage statements, and (v) failed to indemnify all necessary business expenditures

The Court has ***not*** ruled on Plaintiff’s claims. You should not take this notice as an expression of any opinion by the Court about whether Plaintiff is right or wrong. SOSi maintains that Plaintiff’s allegations are without merit and enters into this Settlement with no admission of liability, and solely for the purposes of compromising and settling the lawsuit to avoid the cost and operational burden of continued litigation.

You are receiving this Notice because you are in the group of interpreters referred to as the “PAGA Group Members,” which is defined as: all interpreters who are, or were, party to an independent contractor agreement with Defendant SOS International LLC to provide interpretation services in the United States Immigration Courts and who provided these interpretation services in the Immigration Courts in California at any time between May 1, 2019 and December 13, 2020.

The “Settlement Period” is defined as the time period from May 1, 2019 through December 13, 2020.

II. CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENT

You performed [THIS INTERPRETER’S NUMBER OF WORK ORDERS] during the Settlement Period. The total number of work orders performed by all PAGA Group Members during the Settlement Period is [TOTAL NUMBER OF WORK ORDERS].

Your Individual Settlement Payment has been calculated at \$[AMOUNT PAID TO THIS PAGA Group Member]. Your payment is enclosed with this Notice.

Your payment was calculated based on your proportionate number of work orders performed during the Settlement Period, by multiplying the Net Settlement Amount by a fraction, the numerator of which is your total work orders performed during the Settlement Period, and the denominator of which is the total number of work orders by all PAGA Group Members during the Settlement Period.

III. RELEASE

On [PAGA APPROVAL DATE], the Court approved the Settlement.

By operation of the Settlement's terms, all PAGA Group Members will release any and all PAGA claims that were pled in the matter entitled *Jeanette Juston v. SOSi Services LLC*, Los Angeles County Superior Court, Case No. 20STCV16867 (the "Action"), including, but not limited to any PAGA claim for violation of California Labor Code sections 201-203, 204, 226(a), 226.7, 226.8, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802 and 2804 and all claims that were or could have been alleged based on the facts alleged in the Action and any similar claims and any related state statutory and/or civil penalties, which were alleged or could have been alleged based on the facts of the Complaint, for the Settlement Period ("PAGA Released Claims").

Upon entry of the Order approving the Settlement, Plaintiff and the PAGA Group Members are forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against SOSi. The release became effective on [PAGA APPROVAL DATE].

IV. SETTLEMENT ADMINISTRATOR

PLEASE DO NOT CONTACT THE COURT ABOUT THIS NOTICE.

You may contact the Court-approved Settlement Administrator, Phoenix Settlement Administrators, at [ADMINISTRATOR INFO] with any questions.

Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall direct all unclaimed funds to the National Center for Youth Law. **If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.**

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

May 1, 2020

VIA LWDA WEBSITE

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

Re: *Jeanette Juston v. Sosi Services LLC*

To Whom It May Concern:

Please be advised that this law firm represents Jeanette Juston in claims arising from her employment with Sosi Services LLC, and Does 1 through 100 (collectively “Defendants”). Ms. Juston is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Sections 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. For purposes of this letter, “aggrieved employees” includes all of Defendants’ non-exempt employees who worked for Defendants in California during the one year immediately preceding the date of this letter through the present.

Ms. Juston has worked for Defendants as an interpreter during the year preceding this letter, and remains employed by Defendants as of the date of this letter. Defendants are in the business of providing interpretation services to courts throughout California and the United States.

During the entirety of Ms. Juston and other aggrieved employees’ employment with Defendants, Defendants classified its interpreters and other individuals who perform Defendants’ core business functions as independent contractors, as opposed to employees. Notwithstanding that Ms. Juston and other similarly situated individuals should have been classified as non-exempt employees of Defendants, because they provide services that are within the usual course of the hiring entity’s business, Defendants willfully misclassified these individuals as independent contractors. See *Dynamex Operations West, Inc. v. Superior Court* (2018) 4 Cal.5th 903 (“Under this [ABC] test, a worker is properly considered an independent contractor to whom a wage order does not apply only if the hiring entity establishes: . . . (B) that the worker performs work that is outside the usual course of the hiring entity’s business . . .”).

Throughout Ms. Juston and other aggrieved employees’ employment, Defendants failed to maintain accurate records of Ms. Juston and other aggrieved employees’ actual

hours worked. Rather, Defendants primarily compensated its interpreters on a piece-rate basis. Specifically, during Ms. Juston and other aggrieved employees' employment with Defendants, Defendants compensated their interpreters per appearance at a rate of \$135.00 per appearance. If the court appearance went over three hours in duration (as measured by the time the court signed in and out of the interpreter's daily COI form), then Ms. Juston and other aggrieved employees were compensated an additional \$45 dollars per hour for each hour in excess of three hours.

As alluded to in the prior paragraph, Defendants did not utilize a timeclock system to record employees' hours worked or allow employees to record their own hours. Instead, Defendants implemented a policy and practices of having the court clerks and/or judges record employee hours worked. Upon arriving and departing from each appearance, Defendants required Ms. Juston and other aggrieved employees to provide the clerk and/or the judge with a sign in sheet or "COI form" for the clerk to input Ms. Juston and other aggrieved employees' arrival and departure time. However, the time recorded on the COI forms did not include Ms. Juston and other aggrieved employees' time spent completing pre- and post-appearance tasks, including, but not limited to: reviewing work orders, traveling to and from court appearances, and completing end of the week paperwork such as emailing Defendants the completed COI forms and inputting the information from the COI forms into an excel spreadsheet for purposes of submitting to payroll. As Ms. Juston and other aggrieved employees were often required to travel to Los Angeles from San Bernardino, Ms. Juston and other aggrieved employees' time spent traveling to court appearances could be as much as three hours each way. Similarly, it typically took Ms. Juston and other aggrieved employees around an hour to do the payroll records, including completing the excel spreadsheet with the information from COI forms at the end of each week. Defendants did not record these hours worked or implement any policies or practices to allow Ms. Juston and other aggrieved employees to record these hours worked. As a result of Defendants failure to maintain accurate records of employee hours worked, Ms. Juston and other aggrieved employees were not paid for all hours worked resulting in unpaid minimum wages.

Additionally, throughout Ms. Juston and other aggrieved employees' employment, Defendants did not accurately compensate Ms. Juston and other aggrieved employees paid on a piece-rate basis for rest and recovery periods, as required under Labor Code § 226.2(a)(3)(A) (requiring employees who are compensated on a piece-rate basis to be separately compensated for rest periods at the higher of the minimum wage or the average hourly rate of pay during the workweek). Defendants' payroll records reflect that Defendants failed to compensate Ms. Juston and other aggrieved employees paid on a piece-rate basis for the correct number of rest periods per shift. Specifically, when Ms. Juston and other aggrieved employees worked in excess of 3.5 hours, Defendants did not separately compensate Ms. Juston and other aggrieved employees for a rest and recovery period.

Defendants have also failed to authorize and permit all legally required rest periods to Ms. Juston and other aggrieved employees. Upon information and belief, Defendants

have failed to maintain any legally compliant rest period policy. In practice Ms. Juston and other aggrieved employees were required to work through their rest periods due to the nature of their work. Despite failing to authorize and permit Ms. Juston and other aggrieved employees to take all rest periods to which they are entitled, upon information and belief, Defendants maintained no mechanism for the payment of rest period premium payments as required by Labor Code section 226.7.

Defendants' policies have also failed to reimburse Ms. Juston and other aggrieved employees for all necessary business expenses, including but not limited to mileage necessarily incurred traveling to and from court appearances and necessary equipment to perform their job duties such as pens, paper, and sound enhancing technology.

As a result of Defendants' failure to compensate Ms. Juston and other aggrieved employees for rest periods and non-productive time, Defendants maintained inaccurate payroll records and issued inaccurate wage statements. Defendants also issued facially non-compliant wage statements to reimburse Ms. Juston and other aggrieved employees that failed to list (1) the total hours worked by the employee, (2) the number of piece rate units earned and the applicable piece rate, (3) the inclusion dates of the period for which the employee is paid, (4) the last four digits of the employee's social security number or an employee identification number, (5) the correct name of the legal entity that is the employer in violation of Labor Code section 226(a); and/or (6) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

Further, as a result of Defendants' failure to compensate its non-exempt employees for rest period premiums and non-productive time, Defendants also failed to pay all final wages owed to aggrieved employees upon their respective separations of employment.

As described above, Defendants committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 4 ("Wage Order 4"):

Willful Misclassification as Independent Contractors

As described above, Defendants misclassified Ms. Juston and other aggrieved employees as independent contractors. As a result, Defendants violated Labor Code section 226.8, which makes it unlawful for any person or employer to willfully misclassify an employee as an independent contractor.

Minimum Wage Violations

Defendants failed to conform their pay practices to the requirements of the law by failing to pay Ms. Juston, and other aggrieved employees for all hours actually worked including, but not limited to, all hours they were subject to the control of Defendants and/or suffered or permitted to work under the California Labor Code and Wage Order 4. California Labor Code § 1198 makes unlawful the employment of an employee under conditions that the IWC prohibits. California Labor Code §§ 1194(a) and 1194.2(a)

provide that an employer who has failed to pay its employees the legal minimum wage is liable to pay those employees the balance of the unpaid wages as well as liquidated damages in an amount equal to the wages due and interest thereon.

Rest Period Violations

As alleged above, Defendants failed to authorize and permit Ms. Juston, and other aggrieved employees to take all paid rest periods to which they were legally entitled. See Labor Code §§ 226.7 and 516; Wage Order 4, § 12. As a result, Ms. Juston and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required paid rest periods. See Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”) As alleged above, Defendants failed to pay Ms. Juston and other aggrieved employees the premium wages to which they are legally entitled.

Wage Statement Violations

Defendants were required to furnish Ms. Juston and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, all minimum and overtime wages earned, and all meal period premium wages earned. See Labor Code §§ 226(a). Defendants failure to furnish Ms. Juston and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, and said failures led to, among other things, the non-payment of all wages earned, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data. Defendants’ failure to comply with its wage statement obligations was knowing and intentional, and Ms. Juston and other aggrieved employees have suffered injury as a result.

Failure to Indemnify All Necessary Business Expenditures

Defendants failed to indemnify Ms. Juston and other aggrieved employees for all necessary business expenditures, including, but not limited to, mileage necessarily incurred traveling to and from court appearances and necessary equipment to perform their job duties such as pens, paper, and sound enhancing technology. Defendant’s policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 4, § 8, and Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.”) Ms. Juston and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay aggrieved employees all of their final wages at the time of separation. Pursuant to Labor Code § 203, Defendants failure to pay all final wages due to aggrieved employees was willful and, consequently, entitles aggrieved employees to waiting time penalties equal to one day of wages at their standard rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.¹

As an “aggrieved employee,” Ms. Juston will initiate a civil action on behalf of herself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Juston’s own investigation, and on information and belief, Defendants committed and continue to commit the following Labor Code violations:

- a. Defendants have violated Labor Code § 226.8 by willfully misclassifying Ms. Juston and other aggrieved employees as independent contractors.
- b. Defendants violated Labor Code §§ 204, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Ms. Juston and other aggrieved employees the statutory minimum wage for all hours worked;
- c. Defendants have 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. Juston and other aggrieved employees;
- d. Defendants violated Labor Code § 226 by failing to furnish Ms. Juston and other aggrieved employees with accurate and compliant itemized wage statements;
- e. Defendants violated Labor Code §§ 2802 and 2804 by failing to indemnify Ms. Juston and other aggrieved employees for all necessary business expenditures;
- f. Defendants violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Juston and other aggrieved employees; and

¹ As Ms. Juston is still employed by Defendants, Ms. Juston does not seek to recover waiting time penalties on behalf of herself, but rather only on behalf of Defendants’ other aggrieved employees under the precedent of *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 754 (“any Labor Code penalties recoverable by state authorities may be recovered in a PAGA action by a person who was employed by the alleged violator and affected by at least *one* of the violations alleged in the complaint.”)(emphasis added).

- g. Defendants violated Labor Code § 204 by failing to pay Ms. Juston and other aggrieved employees at least once per week for all wages earned up to and including the fourth day before the payday in violation of Labor Code § 205.
- h. Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Defendants 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



Fletcher W. Schmidt

cc: Sosi Services LLC (via certified mail)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1 Article Addressed to:

SOSI SERVICES LLC
C/O CSC - LAWYERS INCORPORATING
SERVICE
2710 GATEWAY OAKS DR., STE. 150N
SACRAMENTO, CA 95833



9590 9402 5738 0003 7920 48

2. Article Number (Transfer from service label)

7019 2970 0000 0586 2451

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Susie Vang

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No



3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Mail
☐ Mail Restricted Delivery (500)
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☒ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Postmark
Here

7019 2970 0000 0586 2451

EXHIBIT C

From: noreply@salesforce.com on behalf of [LWDA DO NOT REPLY](#)
To: [Jonathan Ramirez](#)
Subject: Thank you for submission of your PAGA Case.
Date: Friday, May 01, 2020 12:16:37 PM

5/1/2020

LWDA Case No. LWDA-CM-785203-20
Law Firm : Haines Law Group, APC
Plaintiff Name : Jeanette Juston
Employer: Sosi Services LLC

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

EXHIBIT D

Haines Law Group, APC

Expense Summary

Jeanette Juston v. SOSi Services, LLC, et al.

EXPENSE	AMOUNT
Copying and Postage Costs	\$307.83
Filing, Service, and Messenger Fees	\$2,051.30
Courtcall Fees	\$76.65
Jury Fees	\$150.00
Mediation Costs	\$7,000.00
Legal Research	\$27.87
TOTAL:	\$9,613.65

EXHIBIT E

ORIGINAL

FILED
Superior Court of California
County of Los Angeles

RECEIVED

JUN 19 2020

Filing Window

Sherri R. Carter, Executive Officer/Clerk of Court
By *[Signature]*, Deputy

FILED
Superior Court of California
County of Los Angeles

SEP 24 2020

Sherri R. Carter, Executive Officer/Clerk of Court
By *[Signature]*, Deputy
Lori M. Greene

FAXED

HAINES LAW GROUP, APC
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Attorneys for Plaintiff
and Aggrieved Employees

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

HELEN CATALINA VARGAS, as an
individual and on behalf of all others similarly
situated,

Plaintiff,

vs.

GRUMA CORPORATION, a Nevada
Corporation; and DOES 1 through 100,

Defendants.

Case No. BC707897

[Assigned for all purposes to the Carolyn B.
Kuhl, Dept. SSC-12]

~~PROPOSED~~ JUDGMENT AND ORDER
GRANTING PLAINTIFF'S MOTION
FOR APPROVAL OF SETTLEMENT OF
CLAIMS BROUGHT UNDER THE
PRIVATE ATTORNEYS GENERAL
ACT, REASONABLE ATTORNEYS'
FEES, COSTS, AND SERVICE AWARD

Date: July 21, 2020

Time: 1:45 p.m.

Dept.: SSC-12

Complaint Filed: June 5, 2018

Trial Date: None Set

RECEIVED
LOS ANGELES SUPERIOR COURT
JUN 19 2020

I. LOVO

09/25/2020

1 *CSK* This matter came on regularly for hearing before this Court on *Sept. 24, 2020 at 10:00 am* ~~July 21, 2020 at 1:45 p.m.~~

2 Having considered the parties' Stipulation for PAGA Settlement ("Settlement");¹ the documents
3 and evidence presented in support thereof; and recognizing the outcome of Plaintiff's
4 investigation of her claims and allegations, the disputed factual and legal issues involved in this
5 case, the risks of further prosecution, the substantial benefits to be received by the State of
6 California and the Allegedly Aggrieved Employees pursuant to the Settlement, and the fair,
7 reasonable, and adequate nature of the settlement obtained as a result of good faith arm's-length
8 negotiations between the parties; and the absence of any objection or comment from the California
9 Labor and Workforce Development Agency ("LWDA") after having received notice of the
10 parties' Settlement and Plaintiff's motion; the Court hereby makes a final ruling that the
11 Settlement is approved pursuant to Labor Code section 2699(l). Good cause appearing therefor,
12 the Court hereby GRANTS Plaintiff's Motion for PAGA Settlement Approval of Claims and
13 ORDERS as follows:

- 14 1. The "Allegedly Aggrieved Employees" shall be defined as:
15 All individuals who worked for Defendant Gruma Corporation as
16 nonexempt employees within the State of California at any time from
17 June 11, 2017 through the date the Court Order granting approval of the
18 PAGA Settlement Agreement.
- 19 2. The "PAGA Period" means June 11, 2017 through the date the Court Order
20 granting approval of the Settlement.
- 21 3. The Court hereby approves the settlement set forth in the Settlement as fair,
22 reasonable, and adequate, and directs the parties to effectuate the Settlement according to its
23 terms.
- 24 4. The Court orders that Defendant Gruma Corporation ("Defendant") shall pay the
25 Settlement Fund of \$1,917,500 to the Settlement Administrator within thirty (30) days after the
26 Court's order granting final approval of the PAGA Settlement Agreement and is no longer subject
27 to appeal.

28 ¹ All terms used in this Order shall have the same meaning as that assigned to them in the Settlement, attached as Exhibit A to the Declaration of Paul K. Haines submitted concurrently with the Motion for Approval of PAGA Settlement.

09/25/2020

1 5. The Court hereby approves, as to form and content, the explanatory Notice
2 submitted by the parties and included as Exhibit A to the Settlement.

3 6. The Court hereby appoints Phoenix Settlement Administrators as the Settlement
4 Administrator.

5 7. Within fourteen (14) business days of the Effective Date, Defendant shall provide
6 the Settlement Administrator with a list containing the Allegedly Aggrieved Employees' names,
7 last known addresses, social security numbers, and dates of employment and/or number of pay
8 periods worked during the PAGA Period.

9 8. The Settlement Administrator is directed to mail the individual PAGA payments
10 and the Notice to the Allegedly Aggrieved Employees within five (5) business days after
11 Defendant provides the Settlement Fund to the Settlement Administrator.

12 9. The Court finds that attorneys' fees in the amount of \$639,166.67 for Plaintiff's
13 counsel, and reimbursement of litigation costs of \$29,396.60 to Plaintiff's counsel, are fair,
14 *in light of the benefit obtained for the state and the class* reasonable, and adequate, and orders the Settlement Administrator to distribute these payments
15 to Plaintiff's counsel as provided for in the Settlement.

16 10. The Court orders that Phoenix Settlement Administrators shall be paid \$11,000 for
17 all of its work done and to be done until the completion of this matter, and finds that sum
18 appropriate.

19 11. The Court finds that the Representative Plaintiff Service Award of \$5,000.00 to
20 Plaintiff Helen Catalina Vargas, is fair and reasonable in recognition of the unique contributions
21 she has made and the risks she undertook in representing the State of California and the LWDA
22 in this action, on behalf of the Allegedly Aggrieved Employees and the State, and orders that the
23 Settlement Administrator distribute this payment to Plaintiff as provided for in the Settlement.

24 12. The Court finds that the distribution of the PAGA Fund to the LWDA and to
25 Allegedly Aggrieved Employees as provided for in the Settlement, is fair, adequate, and
26 reasonable, and orders that payment be made to the LWDA and Allegedly Aggrieved Employees
27 in accordance with the terms of the Settlement.

28 13. The court approves the scope of the release set forth in the Settlement. Following

1 entry of this Judgment and Order and upon the Effective Date, the State of California, Plaintiff
2 and Allegedly Aggrieved Employees, on behalf of themselves and each of their heirs,
3 representatives, successors, assigns, and attorneys, hereby release, and settle any and all claims
4 against the Released Parties for civil penalties they and the State of California may have under
5 the California Labor Code, Wage Orders, regulations, and/or any other provisions of state law
6 arising from allegations that the Allegedly Aggrieved Employees (including Plaintiff) suffered
7 California Labor Code Violations based on (1) non-compliant rest breaks, (2) non-compliant meal
8 periods, (3) non-compliant meal and rest period premium payments, (4) unpaid minimum and
9 overtime wages, (5) failure to pay all wages at the agreed-upon rate and/or without discount, (6)
10 untimely payment of earned wages during employment and at separation of employment, (7) non-
11 compliant wage statements, (8) failure to maintain complete and accurate records, and (9) any
12 other Labor Code violations that were alleged in the Complaint, or that could have been alleged
13 in the Complaint based on the facts alleged in the Complaint, which includes alleged violations
14 of Labor Code sections 201-204, 210, 221-223, 226, 226.3, 226.7, 510, 512, 516, 558, 1174,
15 1174.1, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198 (collectively, the "Released Claims").
16 "Released Parties" means Defendant and each and all of its present, former and future controlling
17 persons, parents, affiliates, business partners, subsidiaries, successors-in-interest, benefit plans
18 sponsored by such companies, shareholders, owners, officers, directors, principals, employees,
19 agents, attorneys, insurers, managers, trustees, fiduciaries, representatives, divisions,
20 predecessors, successors, and assigns.

21 */// This release in no way*
22 */// affects any claim an Allegedly Aggrieved*
23 */// Employee may have against the Released*
24 */// Parties for unpaid wages.*

25 *///*
26 *///*
27 *///*
28 *///*

Cik

14. ~~Upon entry of this Final Order and Judgment and upon the Effective Date, the~~ *(Upon payment being made in accordance with paragraph 4 hereof,*

2 Court permanently enjoins and forever bars the Plaintiff or the Allegedly Aggrieved Employees
3 from instituting or prosecuting any of the "Released Claims" against the "Released Parties,"
4 which were fully and completely resolved as part of the Settlement. Without affecting the finality
5 of this Final Order and Judgment in any way, the Court retains jurisdiction to enforce the terms
6 of the Settlement.

7 15. The Settlement Administrator shall make a final report confirming the final
8 distribution of funds on or before Aug. 4, 2021. A Non-Appeal
9 Case Review Re: Submission of the Final Report of Disbursement is scheduled for
10 Aug. 11, 2021 at 4:30 a.m./p.m.

Cik

11 **IT IS SO ORDERED.**

12
13 Dated: Sept. 24, 2020 By: Carolyn B. Kuhl
14 Honorable Carolyn B. Kuhl
15 Judge of the Superior Court
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09/25/2020

PAUL K. HAINES (Cal. State Bar No. 248226)
FLETCHER W. SCHMIDT (Cal. State Bar No. 286462)
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mmon@haineslawgroup.com

Attorneys for Plaintiff
Rachael Buhl

(Additional counsel of record on next page)

SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

RACHAEL BUHL, as an individual and on
behalf of all others similarly situated,

Plaintiff,

v.

SDX HOME CARE OPERATIONS, LLC, a
California Limited Liability Company; and
DOES 1 through 100,

Defendants.

No. 19STCV23623

**~~[PROPOSED]~~ ORDER GRANTING
JOINT MOTION FOR APPROVAL OF
PAGA SETTLEMENT (Cal. Lab. Code
§ 2699(1)(2)) AND PLAINTIFF'S
MOTION FOR APPROVAL OF
REASONABLE ATTORNEYS' FEES
AND COSTS AND ENHANCEMENT
AWARD**

Date: July 29, 2020
Time: 8:30 a.m.
Dept.: 20, 111 North Hill St., 3rd Flr.,
Los Angeles, CA
Judge: Hon. David J. Cowan

Complaint filed: July 1, 2019
Trial date: None set

1 ASAF AGAZANOF (Cal. State Bar No. 285043)
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2 2330 Westwood Boulevard, Second Floor
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Facsimile: (888) 254-0651
4 asaf@lawasaf.com

5 Attorneys for Plaintiff
Rachael Buhl

6 JEFFREY D. WOHL (Cal. State Bar No. 096838)
7 PAUL A. HOLTON (Cal. State Bar No. 313047)
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10 jeffwohl@paulhastings.com
paulholton@paulhastings.com

11 Attorneys for Defendant
12 SDX Home Care Operations, LLC
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1 On July 29, 2020, a hearing was held on the joint motion of plaintiff Rachael Buhl and
2 defendant SDX Home Care Operations, LLC, for approval of the settlement of this action under
3 the California Labor Code Private Attorneys General Act (“PAGA”), Cal. Lab. Code §§ 2698 *et*
4 *seq.*, and on plaintiff’s motion for reasonable attorneys’ fees and costs and enhancement award.

5 The Court having read and considered the parties’ Settlement Agreement (the “Settlement
6 Agreement” or “Settlement”), the papers on the motions, the arguments of counsel, the parties’
7 joint supplemental brief in support of the joint motion, and the law, and recognizing the disputed
8 factual and legal issues involved in this case, the risks of further prosecution, the substantial
9 benefits to be received by the State of California and the alleged aggrieved employees pursuant to
10 the Settlement, the Court hereby makes a final ruling pursuant to California Labor Code section
11 2699(*l*) that the Settlement is fair, reasonable, and adequate, and is the product of good faith, arm’s
12 length negotiations between the parties. Good cause appearing therefor, the Court hereby
13 GRANTS the parties’ joint motion and plaintiff’s motion and HEREBY ORDERS as follows:

14 1. All terms used for purposes of this order, not otherwise defined, will have the same
15 meaning as given in the Settlement. A copy of the Settlement Agreement executed between the
16 Parties is attached as Exhibit A to this order.

17 2. Pursuant to PAGA, Cal. Lab. Code § 2699(*l*)(2), the California Labor and
18 Workforce Development Agency (the “LWDA”) has been given notice of the Settlement and the
19 joint motion for approval of the Settlement and plaintiff’s motion; on April 15, 2020, plaintiff
20 submitted to the LWDA a notice of the Settlement enclosing a copy of the Settlement Agreement.
21 The Court finds and determines that this notice of the Settlement complied with the statutory
22 requirements of PAGA.

23 3. The Court confirms approval of the Settlement with respect to the following group
24 of individuals (“Settlement Group Members”):

25 All non-exempt employees employed by defendant SDX Home Care Operations,
26 LLC, in California as “Caregivers” or “Home Health Assistants” from April 24,
2018, through June 30, 2020.

27 ///

1 4. The Court finds that the Settlement is, in all respects, fair, reasonable, and adequate.
2 Accordingly, the Court hereby approves the Settlement, and directs the parties to effectuate the
3 Settlement according to its terms.

4 5. The Court finds that the form of Letter Enclosing Settlement Share Checks (the
5 “Cover Letter”), attached as Exhibit A to the Settlement Agreement, fairly and adequately
6 describes the Action, the approved Settlement, and the manner in which Settlement Group
7 Members may ask questions regarding their Settlement Shares, and orders that the Cover Letter
8 be mailed via first-class U.S. mail to the Settlement Group Members in English and Spanish, along
9 with the Settlement Share checks.

10 6. The Court finds that the Total Settlement Amount, Net Settlement Amount, and the
11 methodology used to calculate and pay each Settlement Share, in accordance with the Settlement,
12 are fair and reasonable.

13 7. Phoenix Settlement Administrators is appointed to act as the Settlement
14 Administrator, pursuant to the terms of the Settlement Agreement.

15 8. The Court finds that attorneys’ fees in the amount of 35% of the Total Settlement
16 Amount (\$280,000.00) for plaintiff’s counsel, and reimbursement of litigation costs of \$25,534.58
17 to plaintiff’s counsel are fair, reasonable, and adequate, and orders that the Settlement
18 Administrator distribute these payments to plaintiff’s counsel as provided for in the Settlement.

19 9. The Court orders that the Settlement Administrator shall be paid \$3,500.00 for all
20 of its work done and to be done until the completion of this matter, and finds that sum appropriate.

21 10. The Court finds that a Representative Plaintiff’s Payment of \$5,000.00 to plaintiff
22 is fair and reasonable in recognition of the contributions she has made and the risks she undertook
23 on behalf of the Settlement Group Members and the State of California, and orders that the
24 Settlement Administrator distribute this payment to plaintiff as provided for in the Settlement.

25 11. The Court finds that the amount of \$364,474.06 (representing 75% of the PAGA
26 civil penalties under California Labor Code section 2699(i)) payable to the LWDA as provided
27 for by the Settlement, is fair, adequate, and reasonable, and orders that payment be made to the
28 LWDA in accordance with the terms of the Settlement.

1 12. The Court authorizes the Settlement Administrator to calculate and pay the
2 Settlement Shares, in accordance with the terms of the Settlement, and to pay the LWDA Payment,
3 the Representative Plaintiff's Payment, and the Plaintiff's Counsel Fees and Expenses Payment at
4 the same time as the Settlement Shares.

5 13. Defendant is ordered to provide to the Settlement Administrator not later than 14
6 days after this order becomes Final the names, last known mailing addresses and telephone
7 numbers, Social Security numbers, and Covered Workweeks of all Settlement Group Members.
8 This information will not be disclosed to plaintiff or her counsel, and may be used solely for
9 purposes of administering the Settlement.

10 14. All payments due under the Settlement will be made pursuant to the Settlement.

11 15. If a Settlement Share check comes back to the Settlement Administrator as non-
12 deliverable, the Settlement Administrator will make reasonable efforts to find a current address
13 for the Settlement Group Member and re-mail the check.

14 16. If a Settlement Group Member fails to cash the check for his or her Settlement
15 Shares within 180 days after it is mailed to the Settlement Group Member (or, in the case where
16 the check was returned as non-deliverable, within 180 days after the initial mailing or within 90
17 days after it is mailed to the new address for the Settlement Group Member, whichever is later),
18 the Settlement Administrator will transfer the money represented by the check to the California
19 State Controller's Office Unclaimed Property Fund with an accounting of the amounts being
20 transferred.

21 17. The Court retains exclusive and continuing jurisdiction over this Action under
22 California Code of Civil Procedure section 664.6 for purposes of supervising, administering,
23 implementing, interpreting, and enforcing this order, as well as the Settlement Agreement.

24 18. Nothing in this order or the Settlement Agreement will be construed as an
25 admission or concession by any party, including an admission or concession that defendant bears
26 any liability to the Settlement Group Members or that they were owed the amounts being paid or
27 any amounts. The Settlement Agreement and this resulting order simply represent a compromise
28 of disputed allegations.

1 19. Plaintiff is directed to submit a copy of this order to the LWDA within 10 days of
2 the date of this order.

3 20. Upon entry of this order, plaintiff and the Settlement Group Members will waive
4 and release all claims against the Released Parties that were pled or could have been pled under
5 PAGA under the California Labor Code, Wage Orders, regulations, and/or other provisions of law
6 alleged in the Action to have been violated with respect to herself and the Settlement Group
7 Members during the Covered Period.

8 21. Based on the foregoing, and in accordance with the Settlement Agreement, this
9 action is DISMISSED WITH PREJUDICE, each side to bear its own costs and attorneys' fees
10 except as provided by the Settlement Agreement.

11 IT IS SO ORDERED.

12 Dated: July 30, 2020.



A handwritten signature in black ink, appearing to read "David J. Cowan".

David J. Cowan
Judge of the Superior Court
David J. Cowan / Judge

13
14 Counsel for plaintiff is ordered to give notice.

PROOF OF SERVICE

Rachel Buhl v. SDX Home Care Operations, LLC
Los Angeles County Superior Court Case No. 19STCV23623

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is [X] 2155 Campus Drive, Suite 180, El Segundo, California 90245.

On July 29, 2020, I served the foregoing document(s) described as:

[PROPOSED] ORDER GRANTING JOINT MOTION FOR APPROVAL OF PAGA SETTLEMENT (Cal. Lab. Code § 2699(I)(2)) AND PLAINTIFF'S MOTION FOR APPROVAL OF REASONABLE ATTORNEYS' FEES AND COSTS AND ENHANCEMENT AWARD

on the interested party(ies) in this action as follows:

Jeffrey D. Wohl, Esq.
Email: jeffwohl@paulhastings.com
Paul A. Holton, Esq.
Email: paulholton@paulhastings.com
PAUL HASTINGS LLP
101 California Street, 48th Floor
San Francisco, California 94111
Attorneys for Defendant SDX HOME CARE OPERATIONS

[X] (VIA ELECTRONIC MAIL) Pursuant to Emergency Rule # 12 of the California Rules of Court, I caused the document described above to be sent to the persons at the electronic service addresses listed above via third party cloud service First Legal.

[X] (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 29, 2020, at El Segundo, California.


Jonathan Ramirez

09/19/2019

Sherri R. Carter, Executive Officer / Clerk of Court

By: O. Chavez Deputy

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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JORGE GUTIERREZ, as an individual and on
behalf of all other aggrieved employees,

Plaintiff,

vs.

SEIDNER & CO., INC., a California
Corporation; and DOES 1 through 100,

Defendants.

Case No.: BC724132

*[Assigned for all purposes to the Hon. Holly
J. Fujie; Dept. 56]*

**[PROPOSED] ORDER AND
JUDGMENT GRANTING PLAINTIFF'S
MOTION FOR APPROVAL OF PAGA
SETTLEMENT AND REASONABLE
ATTORNEYS' FEES, COSTS, AND
ENHANCEMENT AWARD**

Date: September 16, 2019

Time: 8:30 a.m.

Dept.: 56

Reservation No.: 122557984660

Action Filed: October 3, 2018

Trial Date: None Set

1 This matter came on regularly for hearing before this Court on September 16, 2019 at
2 8:30 a.m. Having considered the parties' Settlement Agreement, the documents and evidence
3 presented in support thereof, and recognizing the disputed factual and legal issues involved in
4 this case, the risks of further prosecution, the substantial benefits to be received by the State of
5 California and the Aggrieved Employees pursuant to the Settlement, the fair, reasonable, and
6 adequate nature of the settlement obtained as a result of good faith arm's-length negotiations
7 between the parties, the Court hereby makes a final ruling that the settlement is approved pursuant
8 to Labor Code § 2699(l). Good cause appearing therefor, the Court hereby GRANTS Plaintiff's
9 Motion for Approval of PAGA Settlement and Reasonable Attorneys' Fees, Costs, and
10 Enhancement Award and ORDERS as follows:

11 1. The "Aggrieved Employees" shall be defined as:

12 All current and former non-exempt employees of Defendant
13 in California from October 3, 2017, until the date that the
14 Court approves this settlement or September 16, 2019,
15 whichever comes earlier ("PAGA Period").

16 2. The Court hereby approves the Settlement as set forth in the Settlement
17 Agreement as fair, reasonable, and adequate, and directs the parties to effectuate the Settlement
18 according to the terms of the Settlement Agreement.

19 3. The Court orders that Defendant Seidner & Co., Inc. shall deposit the Maximum
20 Settlement Amount of \$325,000.00 to the Settlement Administrator within fourteen (14) business
21 days of the Court's approval of the Settlement Agreement.

22 4. The Court hereby approves, as to form and content, the Notice of PAGA
23 Settlement and Release of Claims, submitted by the parties.

24 5. The Court hereby appoints CPT Group, Inc. as Settlement Administrator.

25 6. Within fourteen (14) business days of Court approval, Defendant Seidner & Co,
26 Inc. ("Seidner") will provide CPT with a list containing the Aggrieved Employees' full name,
27 last known mailing address, last known telephone number, start date(s) of employment, end
28 date(s) of employment, total pay periods worked, and Social Security numbers. The list will also
contain the total of all pay periods worked by Aggrieved Employees during the PAGA Period.

1 Within ten (10) business days of receipt of this information, the Settlement Administrator will
2 circulate to counsel for Plaintiff and Defendant an anonymized spreadsheet containing the
3 Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said
4 payments.

5 7. CPT Group, Inc. is directed to mail the individual settlement payments (which
6 will include the Aggrieved Employees' 25% share of civil penalties paid under Labor Code §
7 2699(i) and their share of civil penalties under Underpaid Wages and Civil Penalty) and Notice
8 of PAGA Settlement and Release of Claims to the Aggrieved Employees after approval of the
9 anonymized spreadsheet containing the individual settlement payments to each Aggrieved
10 Employee and the data used to calculate said payments from the parties.

11 8. The Court finds that attorneys' fees in the amount of \$108,333.33 for Plaintiff's
12 Counsel, and reimbursement of litigation costs of \$10,357.93 to Plaintiff's Counsel are fair,
13 reasonable, and adequate, and orders that the Settlement Administrator distribute these payments
14 to Plaintiff's Counsel as provided for in the Settlement Agreement.

15 9. The Court orders that the Settlement Administrator shall be paid \$7,750.00 for all
16 of its work done and to be done until the completion of this matter and finds that sum appropriate.

17 10. The Court finds that an enhancement award of \$5,000.00 to Plaintiff is fair and
18 reasonable in recognition of the unique contributions he has made and the risks he undertook on
19 behalf of the Aggrieved Employees and the State of California, and orders that the Settlement
20 Administrator distribute this payment to Plaintiff as provided for in the Settlement Agreement.

21 11. The Court finds that the amount of \$15,000.00 (representing 75% of the
22 \$20,000.00 set aside for PAGA civil penalties under Labor Code § 2699(i)) shall to be paid to
23 the California Labor and Workforce Development Agency ("LWDA") as provided for by the
24 Settlement, is fair, adequate, and reasonable, and orders that payment be made to the LWDA in
25 accordance with the terms of the Settlement Agreement.

26 12. The court approves the limited scope of the release. Following entry of this Order
27 and Final Judgment, all Aggrieved Employees will release Defendant Seidner & Co., Inc. and its
28 respective heirs, executors, administrators, successors, assignees, parents, subsidiaries and

1 related entities, officers, directors, shareholders, employees, agents, servants, representatives,
2 members, attorneys, insurers, re-insurers, assigns, and affiliates, and any and all other entities
3 with whom they have been, are now, or may hereafter be affiliated, and any of their affiliated
4 companies, predecessors, successors and assigns, as well as their past or present officers,
5 directors, agents, representatives, attorneys, insurers, re-insurers, assigns, or employees
6 (collectively, the "Released Parties") from any and all claims under PAGA that are pled in
7 Plaintiff's Complaint (including Labor Code § 558), or which could have been pled under the
8 PAGA based on the factual allegations in Plaintiff's Complaint, that arose during the PAGA
9 Period.

10 13. Upon entry of this Order and Judgment, the Court permanently enjoins and
11 forever bars Plaintiff and the Aggrieved Employees from instituting or prosecuting any action
12 against the Released Persons which was released as part of the Settlement Agreement. Without
13 affecting the finality of this Order and Judgment in any way, the Court retains jurisdiction to
14 enforce the terms of the Settlement.

15 14. Plaintiff shall file a declaration confirming the final distribution of funds on or
16 before June 5, 2020.

17
18 **IT IS SO ORDERED.**

19 09/19/2019

20 Dated: _____



Holly J. Fujie

Holly J. Fujie / Judge

Honorable Holly J. Fujie
Judge of the Superior Court

NOV 19 2018

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Attorneys for Plaintiff Silva and Aggrieved Employees

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

JORGE GONZALEZ, individually and on
behalf of himself and other persons similarly
situated,

Plaintiff,

vs.

CITISTAFF SOLUTIONS, INC., a California
corporation; and DOES 1 through 30,
inclusive,

Defendants.

LUIS SILVA, an individual, on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

CITISTAFF SOLUTIONS, INC., a California
Corporation, and DOES 1 through 100,

Defendants.

Case No. BC620115 (Lead Case)
Case No. BC622512

*[Assigned for all purposes to the Honorable
David S. Cunningham III, Dept. 37]*

**[PROPOSED] ORDER AND JUDGMENT
GRANTING PLAINTIFF'S MOTION
FOR APPROVAL OF SETTLEMENT
CLAIMS BROUGHT UNDER THE
PRIVATE ATTORNEYS GENERAL
ACT, REASONABLE ATTORNEYS'
FEES, COSTS, ENHANCEMENT
PAYMENT, AND SETTLEMENT
ADMINISTRATION EXPENSES**

Date: September 27, 2018
Time: 8:30 a.m.
Dept.: 37
Reservation ID: 180409304435

Complaint Filed [Lead Case]: May 10, 2016
FSC: October 22, 2018
Trial Date: October 30, 2018

NOVEMBER 19, 2018

This matter came on regularly for hearing before this Court on ~~September 27, 2018~~ at 8:30 a.m. Having considered the parties' Joint Stipulation of Settlement and Release ("Settlement Agreement" or "Settlement"),¹ the documents and evidence presented in support thereof, and recognizing the disputed factual and legal issues involved in this case, the risks of further prosecution, the substantial benefits to be received by the State of California and the Aggrieved Employees pursuant to the Settlement, the fair, reasonable, and adequate nature of the settlement obtained as a result of good faith arm's-length negotiations between the parties, the Court hereby makes a final ruling that the settlement is approved pursuant to Labor Code section 2699(1). Good cause appearing therefor, the Court hereby GRANTS Plaintiffs' Motion for Approval of Settlement of Claims and ORDERS as follows:

1. The "Aggrieved Employees" shall be defined as:

All persons who, at any time during the Settlement and Release Period were employed by Defendant in non-exempt hourly positions in the State of California who were provided with at least one wage statement.

2. "Defendant" means CitiStaff Solutions, Inc.

3. The "Settlement and Release Period" means from May 10, 2015 to September 12, 2016.

4. The Court hereby approves the Settlement as set forth in the Settlement Agreement as fair, reasonable, and adequate, and directs the parties to effectuate the Settlement according to the terms of the Settlement Agreement.

5. The Court orders that Defendant shall pay the Gross Settlement Amount of \$275,000.00 to the Settlement Administrator on the following schedule, as provided for in the Settlement Agreement: Payment 1: \$15,000.00, to be paid within five (5) business days from an Order from the Court approving this Settlement or June 1, 2018, whichever is later, representing Representative Plaintiffs' Enhancement Payments; Payment 2: \$12,146.04 to be paid on July 1, 2018 representing Aggrieved Employees' Counsel Costs; Payment 3: \$30,555.55 to be paid on August 1, 2018, representing the first 1/3 of the Aggrieved Employees' Counsel Fees; Payment 4: \$30,555.55 to be paid on October 1, 2018, representing the second 1/3 of the Aggrieved

¹ All terms used in this Order shall have the same meaning as that assigned to them in the Settlement Agreement.

1 Employees' Counsel Fees; Payment 5: \$30,555.55 to be paid on December 1, 2018,
2 representing the third 1/3 of the Aggrieved Employees' Counsel Fees; Payment 6: \$15,630.78
3 to be paid on January 1, 2019 representing the amounts distributable to the LWDA, Aggrieved
4 Employees and Settlement Administration Costs; Payments 7 through 18: \$12,777.78 to be
5 paid monthly, commencing on February 1, 2019 through December 1, 2019, to be paid on the
6 first date of each month, representing the amounts distributable to the LWDA, Aggrieved
7 Employees and Settlement Administration Costs.² See Settlement, § III.H.2.

8 6. The Court hereby approves, as to form and content, the Notice of Settlement submitted
9 by the parties.

10 7. The Court hereby appoints CPT Group, Inc. as Settlement Administrator.

11 8. Within fifteen (15) business days of settlement approval, CitiStaff will provide CPT
12 with a list containing the Aggrieved Employees' names, last known addresses, last known
13 telephone numbers, and social security numbers.

14 9. CPT Group, Inc. is directed to mail the individual settlement payments and Notice of
15 Settlement to the Aggrieved Employees within ten (10) days of receipt of the Defendant's final
16 payment of the Gross Settlement Amount.

17 10. The Court finds that attorneys' fees in the amount of \$91,666.66 for Plaintiffs' counsel,
18 and reimbursement of litigation costs of ~~\$12,147.00~~ ^{\$11,842.95} to Plaintiffs' counsel, are fair, reasonable,
19 and adequate, and orders that the Settlement Administrator distribute these payments to
20 Plaintiffs' Counsel as provided for in the Settlement Agreement.

21 11. The Court orders that the Settlement Administrator shall be paid up to \$65,000.00 for
22 all of its work done and to be done until the completion of this matter, and finds that sum
23 appropriate.

24 12. The Court finds that Representative Plaintiff Enhancement Payments of \$5,000.00 each
25 to Plaintiffs Jorge Gonzalez, Teresa Nieto, and Luis Silva for a total amount of \$15,000.00, is
26

27 ² The parties have agreed and this Court approves that to the extent that any of the payment
28 deadlines fall prior to the date that this Court issues its approval order, CitiStaff will make any
payments on the due dates with the Settlement Administrator holding the funds in escrow.

1 fair and reasonable in recognition of the unique contributions they have made and the risks they
2 undertook, on behalf of the Aggrieved Employees and the State of California, and orders that
3 the Settlement Administrator distribute this payment to Plaintiffs as provided for in the
4 Settlement Agreement.

5 13. The Court finds that the amount of \$68,389.75, representing 75% of the \$91,186.34
6 allocated as PAGA penalties in this action, to be paid to the California Labor and Workforce
7 Development Agency ("LWDA") as provided for by the Settlement, is fair, adequate, and
8 reasonable, and orders that payment be made to the LWDA in accordance with the terms of the
9 Settlement Agreement.

10 14. The court approves the limited scope of the release. Following entry of this Order and
11 Final Judgment, Representative Plaintiffs and Aggrieved Employees will have released all
12 Released Claims against Released Persons, meaning that PAGA civil penalties recoverable
13 under any theory of liability upon which such civil penalties under the PAGA could have been
14 recovered based upon the allegations in the operative Complaint, including specifically any and
15 all claims, causes of action, damages, wages, benefits, expenses, penalties, interest, debts,
16 liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy
17 in law, equity, or whatever kind or nature that were asserted or could have been asserted
18 pursuant to Labor Code §§ 558 or 2698 et seq. for violation of Labor Code Section 226.

19 15. Upon entry of this Final Order and Judgment, the Court permanently enjoins and
20 forever bars the Representative Plaintiffs, Aggrieved Employees' Counsel, or the Aggrieved
21 Employees from instituting or prosecuting any action against the Released Persons which was
22 resolved as part of the Settlement. Without affecting the finality of this Final Order and
23 Judgment in any way, the Court retains jurisdiction to enforce the terms of the Settlement.
24 Plaintiffs shall file a declaration confirming the final distribution of funds on or before

25 JANUARY 21, ²⁰²⁰~~2019~~.

26 **IT IS SO ORDERED.**

27 Dated: 11-19-2018

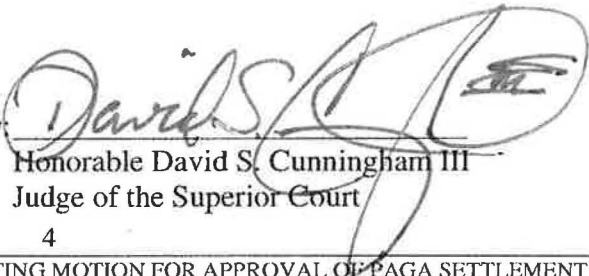
28 By: 
Honorable David S. Cunningham III
Judge of the Superior Court

EXHIBIT F