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on behalf of herself and all others similarly situated

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

ERICKA MONIQUE CARROLL, an
individual, on behalf of herself and others
similarly situated,

Plaintiff,

vs.

L.A. FAMILY HOUSING LLC, a California
limited liability company; L.A. FAMILY
HOUSING CORPORATION, a Business
entity of unknown origin; and DOES 1
through 50, inclusive,

Defendants.

Case No. 20STCV04474

Judge: Hon. Maren Nelson

Department: 17, Spring Street Courthouse

CLASS ACTION

**SUPPLEMENTAL DECLARATION OF
DAVID YEREMIAN IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF THE CLASS ACTION
SETTLEMENT**

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1. I am an attorney licensed and admitted to practice before all courts of the State of California, the United States District Court for the Central, Southern, Eastern, and Northern Districts of California, and the Ninth Circuit Court of Appeals. I am the managing attorney of David Yeremian & Associates, Inc., counsel for Plaintiff Ericka Monique Carroll (“Plaintiff”) on behalf of herself and similarly situated employees of Defendant L.A. Family Housing Corporation (“Defendant”). I and my firm are referred to herein as Class Counsel. I have personal knowledge of the facts herein and if called as a witness, I could and would competently testify.

2. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I have represented Plaintiff and the putative Class since the inception of this matter. I submit this Declaration in support of the Motion for Preliminary Approval, filed by Plaintiffs Ericka Carroll, Blake Wellington, and Betty Perez (hereinafter “Plaintiffs”), on behalf of themselves and other similarly situated employees of Defendant, and without opposition from Defendant, for preliminary approval of the parties’ Joint Stipulation of Class Action Settlement (“Settlement Agreement” or “Settlement”)

3. On June 8, 2021, this Court issued an Order regarding Plaintiffs' motion for preliminary approval of class action settlement. This declaration is intended to address the issues raised by the Court in that Order.

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4. After filing the lawsuit, my firm conducted a thorough investigation of the facts and claims giving rise to the action, including: (1) conducting informal discovery, and meeting and conferring with defense counsel about same (Defendant informally produced a sampling of time and payroll records for 100 employees from February 11, 2016 through September 25, 2020, Plaintiffs' personnel file and time and payroll records, policies and procedures regarding wages, and overtime); (2) reviewing and analyzing time and pay records with our expert as well as employment handbooks, Plaintiffs' personnel files, relevant policies and other documentation; (3)

1 researching the applicable law and potential defenses; (4) constructing damage models based on
2 interpretations of California law; and (5) reviewing information provided by Defendant at the
3 mediation.

4 **Minimum Wages and Overtime**

5 5. Plaintiffs allege that Defendant failed to pay Plaintiffs and other Class Members
6 minimum wages and overtime for all hours worked. Plaintiff contended that they and other Class
7 Members were not paid proper overtime and minimum wages because Defendant failed to pay
8 Class Members wages for hours worked in excess of eight hours in a day. Plaintiffs and Class
9 Members would arrive at their shift ten to fifteen minutes early in order to place their belongings
10 away and discuss the previous shift with the person they would be replacing. In a similar vein, at
11 the end of Plaintiffs and Class' shift they would have to clock out at their scheduled time and then
12 finish discussing their shift with their replacement if necessary. But if their replacement was
13 running late then they would not only have to wait for this person, but still perform the shift-
14 change procedure once they arrived, all while off the clock. Plaintiffs and Class alleges that
15 Defendant also had a policy for not paying overtime unless a Class Member obtained pre-
16 authorization, which again furthered a systematic practice for rounding hours worked to shift
17 schedules and not paying all wages for hours worked.

18 6. Defendant argued that they paid all minimum wages and overtime owed, and that the
19 allegations regarding failure to pay wages for hours worked in excess of eight hours in a day did
20 not constitute a basis for violation of Labor Code § 510. Defendant maintained that Class
21 Members were instructed to clock in before attending to any duties and to stop all work upon
22 clocking out. Defendant contend that they paid for all reported hours worked, that Class Members
23 were trained to record all hours worked, and that it paid proper overtime and minimum wages to
24 Class Members. Defendant argued that given their written policies and practices, any unrecorded
25 hours were likely subject to individualized inquiry and unlikely to be certified. Given the
26 difficulty in certifying this claim, Class Counsel had to apply a significant discount to damages
27 based on this theory. Defendant argued that given their written policies and practices, any
28 unrecorded hours were likely subject to individualized inquiry and unlikely to be certified. Given

1 the difficulty in certifying this claim, Class Counsel had to apply a significant discount to
2 damages based on this theory. Based on the above detailed facts, Class Counsel estimated
3 Defendant's exposure on unpaid wages claims to be approximately \$1,316,234.10 (50,334
4 workweeks x 15 minutes a day for off the clock time x 5 days week x \$20.92 average hourly pay
5 x 1.5).

6 **Meal Periods and Rest Breaks**

7 7. Plaintiffs allege that Defendant consistently failed to provide timely and uninterrupted
8 meal breaks to Class Members. *See Brinker Restaurant Corp. v. Super. Ct.* (2012) 53 Cal.4th
9 1004, 1040 ("[T]he wage order's meal period requirement is satisfied if the employee (1) has at
10 least 30 minutes uninterrupted, (2) is free to leave the premises, and (3) is relieved of all duty for
11 the entire period.").

12 8. Plaintiffs argued that Defendant had a common practice and policy of denying
13 compliant meal periods. Specifically, Plaintiffs and Class Members were regularly required to
14 work through their meal periods, never being provided the opportunity to take uninterrupted thirty
15 (30) minute meal periods in accordance with California law. Class Members were required to
16 clock out for lunch and continue working because if a problem arose or a tenant needed
17 assistance they would have to assist immediately. This meant that regardless of the time when
18 they clocked in and out for meal breaks, meal breaks were regularly taken while on duty.
19 Moreover, what meal periods Class Members did receive were provided well after their fifth
20 consecutive hour of work. This practice of providing untimely and late meal periods comports
21 with Defendant's defective meal period policy (requiring Class Members to take their meal
22 periods after their fifth hour of work) uniformly applicable to all Class Members. For each meal
23 period missed, of less than 30 minutes, or taken late for which the employee was not provided a
24 reasonable opportunity to take a complete and timely meal period, an employer must pay the
25 employee an additional one hour of compensation. (Labor Code § 226.7.) This additional hour of
26 compensation is referred to as "premium pay." To comply with these laws, every employer must
27 keep, for each employee, accurate time records showing when the employee begins and ends each
28 work period and takes his or her meal periods. (*See Wage Order 4-2001(7)(A)(3).*)

1 9. Defendant disagreed with Class Counsel's interpretation of the law and facts.

2 Defendant contended that Class Members were given a reasonable opportunity to take their meal
3 periods, and in fact received their meal periods most of the time.

4 10. Class Counsel estimated Defendant's maximum total exposure on the meal break claim
5 at approximately \$1,052,987.28 (50,334 workweeks x 1 meal break violation per week x \$20.92
6 average hourly pay). This number was discounted due to the fact that Defendant argued many
7 individualized issues would apply making certification of this claim difficult to achieve.

8 11. The same argument applied to rest breaks. Plaintiffs contends that Defendant did not
9 provide Class Members with paid 10-minute rest breaks for every four hours or major fraction
10 thereof. Class Members were required to continue working because if a problem arose or a
11 tenant needed assistance they would have to assist immediately. Class Members consistently
12 worked in excess of consecutive four-hour shifts and were entitled to paid rest breaks of not less
13 than ten minutes for each consecutive four-hour shift which they were denied. Class Members
14 were required to work through their rest breaks, and through their entire shifts.

15 12. Defendant maintained that it did provide the reasonable opportunity for Class Members
16 to take duty-free rest breaks. Defendant also pointed out that, unlike meal periods, rest breaks
17 need not be recorded, and employees need not be allowed to leave the premises. As these
18 considerations would likely depress the damages *vel non* ultimately awarded, Class Counsel
19 applied significant and appropriate discounts to the rest-break claim. Class Counsel estimated
20 Defendant's maximum total exposure on the rest break claim at approximately \$1,052,987.28
21 (50,334 workweeks x 1 rest breaks violations per week x \$20.92 average hourly pay). Owing to
22 the arguments above and the fact that recording of rest periods is not required, this claim was
23 substantially discounted, and was not a major driver of exposure in this case.

24 **Failure to Reimburse for Necessary Business Expenditures**

25 13. Labor Code § 2802 provides that an employer must reimburse employees for all
26 necessary expenditures incurred in the performance of their job duties. Plaintiffs worked for
27 Defendant and in the course of performing their job duties, incurred necessary business-related
28 expenses, including, but not limited to cellular phone expenditures. Plaintiffs and Class Members

1 frequently used their cellular phone for work-related business, emails, and telephone calls. Thus,
2 Plaintiffs and Class Members were required to use her cellular phone while employed with
3 Defendant.

4 14. Defendant maintained that Plaintiffs and the Class members were not required to use
5 their personal cellular phone on a regular basis during their scheduled shift. Plaintiffs estimate
6 that Defendant's maximum total exposure for failing to reimburse business expenses is
7 approximately \$251,670.00 (\$5 a week x 50,334 workweeks).

8 **Community of Interest**

9 15. The declaration of Plaintiffs also details the work they have done, and time spent on
10 the case to justify their adequacy as a class representative.

11 **Instruction Ambiguity**

12 16. Attached hereto is the revised Stipulation of Settlement of Class Action Settlement
13 ("Revised Stipulation of Settlement"), as **Exhibit 1**(a redlined version is attached as **Exhibit 2**)
14 and a Revised Notice of Class Action Settlement ("Revised Notice") as **Exhibit A** (a redlined
15 version is attached as **Exhibit B**) respectively.

16 17. The Revised Stipulation of Settlement includes amended language in ¶ 51 for the
17 administrator to pay funds 65 days after the Effective date (p. 17:8).

18 **Scope of Release**

19 18. The Revised Stipulation of Settlement in ¶ 23 deletes the language "penalties of any
20 nature whatsoever..."(p. 8:27).

21 19. The Revised Stipulation of Settlement in ¶ 65 includes a PAGA release that is limited
22 to claims asserted in the LWDA letters for Plaintiffs (p. 22:27-28, p. 23:1-22). **Exhibit 3** are true
23 and correct copy of the LWDA letters sent by Plaintiff Ericka Carroll sent on October 27, 2020
24 and February 4, 2020, Plaintiff Blaike Wellington sent on October 9, 2019 and Plaintiff Betty
25 Perez sent on November 6, 2020 and October 28, 2020.

26 **PAGA Terms**

27 20. The Revised Stipulation of Settlement in ¶ 18 defines the PAGA employees and PAGA
28 Period (p. 7:25-27). The Revised Stipulation of Settlement in ¶ 13 also provides an estimate of the

1 number (497) of Class Members falling within the PAGA period (p. 7:4). Also, the Revised
2 Notice defines the PAGA members and PAGA periods. (p. 1).

3 21. The Revised Stipulation of Settlement in ¶¶ 12 and 31 provides a separate calculation
4 as to PAGA penalties (p. 6:22-28, p. 10:23-25). Also, the Revised Notice provides a separate
5 calculation as to PAGA penalties. (p. 4-5). Additionally, only the Class Members falling within
6 the PAGA period's statute's applicable statute of limitations would receive a PAGA payment.
7 Moreover, it would not in the best interests of the Class Members to increase the PAGA payment
8 and deplete the Net Settlement Amount because the employees would get less.

9 22. The Revised Stipulation of Settlement in ¶ 46 now states that Class Members who may
10 be eligible to receive a settlement payment under the PAGA settlement cannot exclude
11 themselves from the Settlement (p. 15:21-22). Additionally, the Revised Stipulation of Settlement
12 ¶ 65 states that the release will be binding on all PAGA Members regardless of whether they file
13 a valid request for exclusion from the Class (p. 22:27-28, p. 23:1-22). The Revised Notice
14 additionally mentioned that PAGA members release their claims. (p. 3).

15 23. The Revised Stipulation of Settlement in ¶¶ 46 and 65 specifically explain that the
16 PAGA claims will be released whether or not a Class Member opts out (p. 15:21-22, p. 23:20-22)
17 . Additionally, the Revised Stipulation of Settlement in ¶ 65 states that the release will be binding
18 on all PAGA Members regardless of whether they file a valid request for exclusion from the
19 Class. Moreover, the Revised Notice also specifies that the PAGA Members will be paid the
20 PAGA payment and cannot exclude themselves from the PAGA group (p. 1).

21 **Notice and Notice Administration**

22 24. The Revised Stipulation of Settlement in ¶49 deletes the language "Class Counsels will
23 not represent any Class Members with respect to any such Objections to this Settlement" (p.
24 16:26-27, p. 17:1).

25 25. The Revised Notice is updated to reflect current social distancing requirements and
26 informs class members of the option to appear by audio or video at the final approval hearings
27 and cites to the Court's website for directions (p. 8: §C).

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Settlement Administrator

26. The Declaration of Sean Hartranft who is the Senior Vice President of Sales for ILYM Group, Inc., the claims administrator, shows the qualifications and experiences of ILYM Group, Inc, affirms that the administrator has sufficient safeguards in place to protect the data and funds entrusted to it and has no relationship to any counsel. Attached hereto as **Exhibit 4** is a true and correct copy of the Declaration of Sean Hartranft.

Fees Split

27. West Coast Employment Lawyers, Aegis Law Firm, PC, have an agreement with David Yeremian & Associates, Inc. and Davtyan Law Firm to share fees on a 10%/10%/ 80% fee split basis with David Yeremian & Associates, Inc. and Davtyan Law Firm with David Yeremian & Associates, Inc. and Davtyan Law Firm receiving 80% and West Coast Employment Lawyers receiving 10% and West Coast Employment Lawyers receiving 10%. Davtyan Law Firm has an agreement with David Yeremian & Associates, Inc. to share fees on a 35%/ 65% fee split basis with David Yeremian & Associates, Inc. receiving 65% and Davtyan Law Firm receiving 35%. The fee arrangements were documented in writing and disclosed to Plaintiffs who signed acknowledgments pursuant to Cal. Rules of Professional Conduct, Rule 1.5.1.

Handling of Unclaimed Funds

28. Plaintiff and Counsel for Plaintiff do not have any interest or involvement in the Bet Tzedek Legal Services or its employees that would provide any conflict in the selection of this cy pres recipient.

Submission of Settlement to the LWDA

29. On October 7, 2021 Plaintiff’s counsel submitted the Revised Stipulation of Settlement to the LWDA. **Exhibit 5** is a true and correct copy of the notice to the California Labor Workforce and Development Agency of the Stipulation sent on October 7, 2021.

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1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct.

3 Executed this 7th day of October 2021, at Glendale, California.

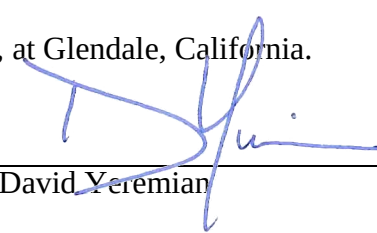
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EXHIBIT 1

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Attorneys for Defendant, L.A. FAMILY HOUSING CORPORATION
(erroneously named as L.A. FAMILY HOUSING LLC)

*Additional Counsel Listed On Next Page***SUPERIOR COURT OF THE STATE OF CALIFORNIA****FOR THE COUNTY OF LOS ANGELES**

ERICKA MONIQUE CARROLL, an
individual, on behalf of herself and others
similarly situated,

Plaintiff,

vs.

L.A. FAMILY HOUSING LLC, a California
limited liability company; L.A. FAMILY
HOUSING CORPORATION, a Business entity
of unknown origin; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 20STCV04474

Complaint Filed: February 4, 2020

First Amended: July 17, 2020

Trial Date: None Set

CLASS ACTION

[Assigned for All Purposes To Hon. Maren
Nelson, Dept. SS17]

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT**

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Attorneys for Plaintiff, BLAIKE WELLINGTON,
on behalf of herself and all others similarly situated

1 **TO THE HONORABLE COURT:**

2 This Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiffs, Ericka Carroll, Blaike
4 Wellington, and Betty Perez (“Plaintiffs” or “Class Representatives”), on behalf of themselves and
5 all others similarly situated, and Defendant, L.A. Family Housing Corporation, a California
6 domestic nonprofit (“Defendant”) (collectively Defendant and Plaintiffs will be collectively
7 referred to as the “Parties”) as set forth below:

8 **CONDITIONAL NATURE OF THIS STIPULATION**

9 This Stipulation and Agreement to Settle Class Action, including all associated exhibits or
10 attachments (herein “Stipulation”), is made for the sole purpose of resolving the above-captioned
11 matter (the “Litigation”) on a class-wide basis. This Stipulation and the settlement it evidences is
12 made in compromise of disputed claims. Because the Litigation was filed as a class action, this
13 settlement must receive preliminary and final approval from the Court. Accordingly, Defendant
14 and the Class Representatives enter into this Stipulation and associated settlement on a conditional
15 basis. In the event that the Court does not execute and file the Order Granting Final Approval of
16 Settlement, or in the event that the Court does not enter the Judgment (as defined below), or in the
17 event that the associated Judgment does not become Final (as defined below) for any reason, this
18 Stipulation shall be deemed null and void, it shall be of no force or effect whatsoever, it shall not
19 be referred to or used for any purpose whatsoever, and the negotiation, terms and entry of it shall
20 remain subject to the provisions of California Evidence Code §§ 1119 and 1152.

21 Defendant denies all of the claims as to liability, damages and restitution as well as the
22 class allegations asserted in the Litigation. Defendant has agreed to resolve this Litigation via this
23 Stipulation, but to the extent this Stipulation is deemed void or does not take effect, Defendant
24 does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations
25 in the Litigation upon all procedural and factual grounds, including without limitation the ability
26 to challenge class treatment on any grounds or to assert any and all defenses or privileges. The
27 Class Representatives and their counsel agree that Defendant retains and reserves these rights. In
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1 particular, the Class Representatives and their counsel waive and agree not to argue or to present
2 any argument that Defendant would be estopped from contesting class certification because they
3 have entered into this Stipulation. In addition, the settling Parties recognize and agree that under
4 California law, which is applicable here, courts impose a lesser burden for certification for
5 settlement classes than they do for contested classes. The Parties agree that the Stipulation of
6 Settlement of Class Action and Release of Claims entered into on or about May of 2021, is void and
7 superseded by this Settlement Agreement.

8 **DEFINITIONS**

9 As used in all parts of this Stipulation (including the exhibits which are incorporated as part
10 of the Stipulation), the following terms have the meanings specified below:

11 1. “Action” collectively refers to all causes of actions, claims, and allegations in the
12 Operative Complaints filed in the following matters: (i) *Ericka Monique Carroll v L.A. Family*
13 *Housing, LLC, et al.*, Los Angeles Superior Court Case No. 20STCV04474; (ii) *Blaike Wellington v*
14 *L.A Family Housing, LLC, et al.*, Los Angeles Superior Court Case No. 20STCV07797; and (iii)
15 *Betty Perez v. L.A. Family Housing Corporation, et al.*, Los Angeles Superior Court Case No.
16 20STCV41617.

17 2. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the Court
18 for Class Counsels’ litigation and resolution of this Action.

19 3. “Class Counsels” means the attorneys of record for the Class Representatives and
20 Class Members, *i.e.*, David Yeremian and Roman Shkodnik of David Yeremian & Associates, Inc.;
21 Emil Davtyan of Davtyan Law Firm, Ronald L. Zambrano of West Coast Employment Lawyers,
22 APLC, and Kashif Haque and Jessica L. Campbell of AEGIS Law Firm, PC.

23 4. “Class List” means a complete list of all Class Members that Defendant will
24 diligently and in good faith compile from its records and provide to the Settlement Administrator
25 within twenty (20) business days after Preliminary Approval of this Settlement. The Class List will
26 be formatted in Microsoft Office Excel and will include the following information from
27 Defendant’s records: each Class Member’s full name; last-known mailing address; Social Security
28 number; and dates of employment as a non-exempt employee in California during the Class Period.

1 5. “Class Member(s)” or “Settlement Class” means all current and former non-exempt
2 employees of Defendant who worked in California during the Class Period (or if any such person is
3 incompetent, deceased, or unavailable due to military service, the person’s legal representative or
4 successor in interest evidenced by reasonable verification). “Class Members” shall not include any
5 person who submits a timely and valid request for exclusion.

6 6. “Class Period” means the period from February 4, 2016 through June 9, 2021.

7 7. “Class Representatives Enhancement Payments” means the amount approved by the
8 Court to be paid to Plaintiffs in recognition of their contributions to the Action on behalf of Class
9 Members and Aggrieved Employees.

10 8. “Court” means the Superior Court of California, County of Los Angeles.

11 9. “Defendant” means L.A. Family Housing Corporation, a California Domestic
12 Nonprofit.

13 10. “Effective Date” means: (a) the date of entry of the Court’s order granting final
14 approval of the Settlement Agreement and Judgment, if no objections have been filed or if an
15 objection was filed and later withdrawn; or (b) if an objection to the Settlement Agreement is filed,
16 then the date when the time expires to file an appeal of the Court’s grant of Final Approval of the
17 Settlement Agreement; or (c) if an objection is filed, as well as a timely Notice of Appeal of the
18 Court’s grant of Final Approval of the Settlement Agreement, then the date the appeal is finally
19 resolved, with the final approval unaffected.

20 11. “Individual Settlement Payment” means each Class Member’s share of the Net
21 Settlement Amount.

22 12. “Individual PAGA Settlement Payment” means each PAGA Member’s gross share
23 of the Net PAGA Settlement Amount (before deduction for the standard employee’s share of payroll
24 taxes) and is calculated by dividing the Net PAGA Settlement Amount by the Total PAGA Member
25 Workweeks and then multiplying that amount by the number of weeks worked by each PAGA
26 Member during the PAGA Period. All Class Members who are also PAGA Members will receive an
27 “Individual PAGA Settlement Payment” for their respective share of the 25% portion of the PAGA
28 Payment, which will be included as part of their Individual Settlement Payment.

1 13. “Gross Fund Value” is the amount of One Million Dollars and Zero Cents
2 (\$1,000,000.00), which is the maximum amount to be paid by Defendant pursuant to this Settlement
3 Agreement. Defendant estimates that there are approximately Six Hundred and Seventy (670) Class
4 Members and (497) PAGA Members. If, the number of Class Members increases by more than ten
5 percent (10%) of the amount stated then the Net Settlement Fund shall increase by an equal
6 percentage. The Gross Fund Value includes all Individual Settlement Payments to Class Members,
7 the Class Representatives Enhancement Payments to Plaintiffs, Attorneys’ Fees and Costs to Class
8 Counsel, the Settlement Administration Costs to the Settlement Administrator and the PAGA
9 Payment as specified in this Agreement. Defendant shall pay the employer’s share of payroll taxes
10 due on the portion of Settlement Payments allocated to wages separately and in addition to the
11 Gross Fund Value. The Parties agree that Defendant will have no obligation to pay any amount in
12 connection with this Settlement Agreement apart from the Gross Fund Value and the employer’s
13 share of payroll taxes due on the portion of Settlement Payments allocated to wages, and that none
14 of the Gross Fund Value will revert to Defendant.

15 14. “Net Settlement Amount” means the Gross Fund Value, less the Class
16 Representatives Enhancement Payments, Attorneys’ Fees and Costs, and Settlement Administration
17 Costs, and seventy-five percent (75%) of the PAGA Payment as specified in this Agreement.

18 15. “Objection” means any written objection to this Settlement sent by a Class Member
19 to the Settlement Administrator as specified herein and in the Notice of Settlement. An Objection
20 to Settlement must be sent to the Settlement Administrator within the time limitations set forth in
21 this Stipulation.

22 16. “Notice of Class Action Settlement” means the notice of settlement, attached as
23 Exhibit A, to be mailed to all members of the Settlement Class upon Preliminary Approval.

24 17. “PAGA” means the California Labor Code Private Attorneys General Act of 2004.

25 18. “PAGA Members” or “PAGA Group” means “all current and former non-exempt
26 employees who worked for Defendant in California from October 23, 2018 through June 9, 2021
27 (“PAGA Period”).”
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1 19. “PAGA Payment” means the payment made hereunder to the California Labor and
2 Workforce Development Agency and the Settlement Class Members for settlement of claims for
3 civil penalties under PAGA.

4 20. “Parties” means Plaintiffs and Defendant collectively.

5 21. “Plaintiffs” means Ericka Monique Carroll, Blaike Wellington, and Betty Perez.

6 22. “Preliminary Approval” means the Court order granting preliminary approval of the
7 Settlement Agreement.

8 23. “Released Claims” means any and all claims, debts, liabilities, demands,
9 obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action
10 contingent or accrued which arise from the factual allegations and claims set forth in the operative
11 Complaint during the Settlement Class Period as set forth in this Action, including, but not limited
12 to, the failure to pay minimum wage under California Labor Code §§ 510, 1194, 1198 and the
13 applicable IWC Wage Order; failure to pay overtime wages under California Labor Code §§ 510,
14 1194, 1198 and the applicable IWC Wage Order; failure to provide and/or properly pay for rest
15 periods under California Labor Code §§ 226.7, 516, 558, and the applicable IWC Wage Order;
16 failure to provide and/or properly pay for meal periods under California Labor Code §§ 226.7, 512
17 and the applicable IWC Wage Order; failure to pay wages of terminated or resigned employees and
18 waiting time penalties under California Labor Code §§ 201-203 and the applicable IWC Wage
19 Order; failure to maintain required records under California Labor Code § 226 and the applicable
20 IWC Wage Order; failure to provide accurate wage statements including under California Labor
21 Code § 226 and the applicable IWC Wage Order; failure to indemnify employees for necessary
22 expenditures incurred in discharge of duties under California Labor Code §2802; violations of
23 unfair competition law under California Business and Professions Code §§ 17200-17208; any other
24 claims or penalties under the California Labor Code or other wage and hour laws pleaded in the
25 Action; all damages, penalties, interest and other amounts recoverable under said claims, causes of
26 action or legal theories of relief and claims for restitution; and other equitable relief, liquidated
27 damages, waiting time penalties, or any other benefit claimed on account of the allegations asserted
28 in the Action. The Released Claims do not extend to any claims not alleged in the operative

1 Complaints and specifically excludes claims for workers' compensation, personal injuries,
2 unemployment insurance, state disability compensation, claims under the Employment Retirement
3 Income Security Act of 1974, previously vested benefits under any Employer-sponsored benefits
4 plan, wrongful termination, discrimination, retaliation, and harassment including but not limited to
5 those arising under the Age Discrimination In Employment Act, the California Fair Employment
6 and Housing Act, Title VII of the Federal Civil Rights Act of 1964, and/or Federal Civil Rights Act
7 of 1991, or any similar state or federal laws, the California Family Rights Act, the Federal Family
8 Medical Leave Act, the California Pregnancy Leave Law, or similar state or federal laws, the
9 Federal Equal Pay Act of 1963, violations of the Americans with Disabilities Act of 1990 or
10 violations of any other state or federal law, rule or regulation concerning discrimination, retaliation
11 and/or harassment. The period of the Release shall extend to the limits of the Class Period. The *res*
12 *judicata* effect of the Judgment will be the same as that of the Release. Defendant shall be entitled
13 to a release of Released Claims which occurred during the Class Period only during such time that
14 the Settlement Class Member was classified as non-exempt, and expressly excluding all other
15 claims for vested benefits, wrongful termination, unemployment insurance, disability, social
16 security, workers' compensation, claims while classified as exempt, and claims outside of the Class
17 Period.

18 24. "Released Parties" means Defendant, and their past, present and/or future, direct
19 and/or indirect, owners, officers, directors, members, managers, employees, agents, representatives,
20 attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries,
21 affiliates, divisions, predecessors, successors, assigns, and joint venturers, if any.

22 25. "Request for Exclusion" means a timely written request by a Class Member to be
23 excluded from the Settlement. The Request for Exclusion must: (i) set forth the name, address,
24 telephone number and last four digits of the Social Security Number of the Class Member
25 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
26 Administrator; (iv) clearly state that the Class Member does not wish to be included in the
27 Settlement; and (v) be postmarked on or before the Response Deadline.

26. “Response Deadline” means the deadline by which Class Members must postmark the Settlement Administrator Requests for Exclusion or Objection to the Settlement. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Notice of Class Action Settlement by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

27. “Settlement Administrator” means ILYM Group, Inc., or any other third-party class action settlement administrator approved by the Parties and the Court for the purposes of administering this Settlement. The Parties each represent that they have no financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

28. “Settlement Administration Costs” includes all costs payable to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking notice and other documents for this Settlement, tax reporting, distributing all payments to be made pursuant to this Settlement, and providing necessary reports and declarations, as requested by the Parties. After conference and consultation with the Settlement Administrator, \$13,806.70 will be allocated to Settlement Administration as a “not to exceed” cost.

29. “Pay Periods” means the number of calendar pay periods that the Class Member worked as a non-exempt employee in California during the Class Period.

30. “Workweek Value” means the value of each compensable Workweek, as determined by the formula set forth in herein.

31. “Workweek” means a week in which a Class Member worked a shift for Defendant.

32. “PAGA Workweek Dollar Value” means the Net PAGA Settlement Amount (\$12,500), divided by the Total PAGA Member Workweeks (approximately 31,828.29). The Workweek Dollar Value is estimated to be \$0.39 ($\$12,500 \div 31,828.29 = \0.39).

TERMS OF AGREEMENT

Plaintiff, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

1 33. Funding of the Gross Fund Value. No later than within sixty (60) business days after
2 the Effective Date, Defendant will deposit One Million Dollars and Zero Cents (\$1,000,000.00) into
3 a Qualified Settlement Fund administered by the Settlement Administrator. The Gross Fund Value
4 will be used to pay: (i) Individual Settlement Amounts; (ii) the Class Representatives Enhancement
5 Payments; (iii) Attorneys' Fees, Costs, and any other expenses; (iv) the PAGA Payment and (v)
6 Settlement Administration Costs.

7 34. Attorneys' Fees and Costs. Class Counsels will seek an award of Attorneys' Fees
8 and Costs of not more than one-third or Three Hundred and Thirty-Three Thousand and Three
9 Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33) in attorney's fees and not
10 more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) in costs, and Defendant
11 agrees not to oppose such application. All Attorneys' Fees and Costs will be paid from the Gross
12 Fund Value. Plaintiffs and Class Counsels will not have the right to revoke this Settlement in the
13 event the Court fails to approve the amount of Attorneys' Fees and Costs sought by Class Counsels.
14 Any portion of the Attorneys' Fees and Costs not awarded to Class Counsels will be added to the
15 Net Settlement Amount.

16 35. Class Representatives Enhancement Payment. Plaintiffs will apply to the Court for
17 their respective Class Representative Enhancement Payments. Plaintiffs seek a Class Representative
18 Enhancement Payment of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) for
19 each individual plaintiff. These amounts are to award each of them for their effort and work in
20 prosecuting the Actions on behalf of Class Members and Aggrieved Employees and Defendant
21 agrees not to oppose such application. This amount will be considered non-wage damages and will
22 be reported on an IRS Form 1099. The Class Representative Enhancement Payments, which will be
23 paid from the Maximum Settlement Amount, will be in addition to Plaintiffs' right to an Individual
24 Settlement Payment pursuant to the Settlement. Plaintiffs will be solely and legally responsible to
25 pay any and all applicable taxes on the payments made pursuant to this paragraph and will hold
26 Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of
27 the payments. Plaintiffs will not have the right to revoke this Settlement in the event the Court fails
28 to approve the amount sought by Plaintiffs as Class Representative Enhancement Payments. Any

1 portion of the Class Representative Enhancement Payments not awarded to the Class
2 Representatives will be added to the Net Settlement Amount.

3 36. Settlement Administration Costs. The Settlement Administrator will be paid for the
4 reasonable costs of administration of the Settlement and distribution of payments. These costs,
5 which will be paid from the Maximum Settlement Amount, will include, *inter alia*, the required tax
6 reporting on the Individual Settlement Payments, the issuing of 1099 IRS Forms, preparing and
7 distributing Notices of Class Action Settlement, calculating and distributing all payments to be
8 made pursuant to the Settlement, and providing necessary reports and declarations. Class Counsels
9 obtained a “not to exceed” quote from the Settlement Administrator to complete the administration
10 for \$13,806.70. The Settlement Administrator’s “not to exceed” quote will represent the Settlement
11 Administrator’s agreement that, based on the class size and distributions under the terms of this
12 Settlement, the costs for administration of the terms of this Settlement will not exceed the specified
13 amount. All of the Settlement Administration Costs shall be paid from the Maximum Settlement
14 Amount upon completion of all duties required to be performed by the Settlement Administrator
15 under the terms of this Settlement, or as otherwise required by the Court, subject to the “not to
16 exceed” quote from the Settlement Administrator. The Settlement Administrator will establish the
17 Qualified Settlement Fund Account.

18 37. PAGA Payment. Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be
19 allocated from the Maximum Settlement Fund for settlement of claims for civil penalties under
20 PAGA. The Settlement Administrator shall pay seventy-five percent (75%), or \$37,500.00, to the
21 LWDA and twenty-five percent (25%) or \$12,500.00, will be included in the Net Settlement
22 Amount and distributed to Settlement Class Members as described in this Agreement. Each
23 Settlement Class Member’s pro rata share of that \$12,500.00 will be part of his or her Individual
24 Settlement Payment.

25 38. Individual Settlement Payment Calculations. Individual Settlement Payments will
26 be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks
27 a Class Member worked during the Class Period as a non-exempt employee in California. Specific
28 calculations of Individual Settlement Payments will be made as follows:

1 34(a). The Settlement Administrator will calculate the total number of Workweeks
2 worked by each Class Member as a non-exempt employee in California during the Class Period and
3 the aggregate total number of Workweeks worked by all Class Members as non-exempt employees
4 in California during the Class Period.

5 34(b). To determine each Class Member's estimated "Individual Settlement
6 Payment," the Settlement Administrator will use the following formula: The Net Settlement
7 Amount will be divided by the aggregate total number of Workweeks, resulting in the Workweek
8 Value. Each Class Member's "Individual Settlement Payment" will be calculated by multiplying
9 each individual Class Member's total number of Workweeks by the Workweek Value.

10 34(c). The entire Net Settlement Amount will be disbursed as Individual Settlement
11 Payments to Class Members. If there are any valid and timely Requests for Exclusion from
12 members of the Settlement Class, the Settlement Administrator shall proportionately increase the
13 Individual Settlement Payment for each Class Member according to the number of Workweeks
14 worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net
15 Settlement Amount.

16 39. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Class
17 Members under this Settlement, as well as any other payments made pursuant to this Settlement,
18 will not be utilized to calculate any additional benefits under any benefit plans to which any Class
19 Members may be eligible, including, but not limited to: (i) profit-sharing plans, (ii) bonus plans,
20 (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick leave plans, (vii) PTO
21 plans, and (viii) any other benefit plan. Rather, it is the Parties' intention that this Settlement
22 Agreement will not affect any rights, contributions, or amounts to which any Class Members may
23 be entitled under any benefit plans.

24 40. Settlement Administration Process. The Parties agree to cooperate in the
25 administration of the settlement and to make all reasonable efforts to control and minimize the costs
26 and expenses incurred in administration of the Settlement.

1 41. Delivery of the Class List. Within twenty (20) business days of entry of the Court's
2 Order Granting Preliminary Approval, Defendant will provide the Class List to the Settlement
3 Administrator.

4 42. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the
5 Class List from Defendant, the Settlement Administrator will mail a Notice of Class Action
6 Settlement to all Class Members via regular First-Class U.S. Mail, using the most current, known
7 mailing addresses identified in the Class List.

8 43. Confirmation of Contact Information in the Class List and Undeliverable Notices.
9 Prior to mailing, the Settlement Administrator will perform a search based on the National Change
10 of Address Database for information to update and correct for any known or identifiable address
11 changes. Any Notices of Class Action Settlement returned to the Settlement Administrator as non-
12 deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
13 Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the
14 date of such re-mailing on the Notice of Class Action Settlement. If no forwarding address is
15 provided, the Settlement Administrator will promptly attempt to determine the correct address using
16 an Accurint search/skip-trace, and will then perform a single re-mailing.

17 44. Notices of Class Action Settlement. All Class Members will be mailed a Notice of
18 Class Action Settlement in both English and Spanish in the form attached as Exhibit A¹, or as
19 provided by Court order.

20 45. Disputed Information on Notices of Class Action Settlement. Class Members will
21 have an opportunity to dispute the information provided in their Notices of Class Action Settlement.
22 To the extent Class Members dispute their employment dates or the number of Workweeks as set
23 forth on the Notice, Class Members may produce evidence to the Settlement Administrator showing
24 that such information is inaccurate. The Settlement Administrator will advise the Parties of such
25 dispute, allow Defendant five (5) business days to respond with any additional information or
26

27 ¹ Only the English version of the Class Notice is being attached to the Stipulation of Class Action
28 Settlement. Once the above entitled case receives Preliminary Approval then the Claim Administrator, ILYM Group,
will translate the Class Notice also into Spanish.

1 records, and then decide the dispute. Defendant's records will be presumed correct, but the
2 Settlement Administrator will evaluate the evidence submitted by the Class Member and Defendant
3 and will make the final decision as to the merits of the dispute.

4 46. Requests for Exclusion. Any Class Member wishing to opt-out from the Settlement
5 Agreement must sign and postmark a written Request for Exclusion to the Settlement Administrator
6 within the Response Deadline. The postmark date will be the exclusive means to determine whether
7 a Request for Exclusion has been timely submitted. The Parties and their counsel will not solicit or
8 encourage any Class Member, directly or indirectly, to opt out of the Settlement Agreement. More
9 specifically, a Class Member may request to be excluded from the effect of this Agreement, and any
10 payment of amounts under this Agreement by timely mailing a Request for Exclusion letter to the
11 Settlement Administrator stating that the Class Member wants to be excluded from this Action.
12 This letter must include the Class Member's name, address, telephone number, and signature. To be
13 valid and timely, the request to be excluded must be postmarked by the Response Deadline date that
14 will be specified in the Class Notice (no less than sixty (60) days from the initial mailing of the
15 Class Notice by the Settlement Administrator). However, if a Notice of Class Action Settlement
16 needs to be re-mailed then that individual Class Member will be provided sixty (60) additional days
17 to object or request exclusion from the settlement based on the date of the new mailing. A Class
18 Member who properly submits a valid and timely request to be excluded from the Action will not
19 receive any payment of any kind in connection with this Agreement or this Action, will not be
20 bound by or receive any benefit of this Agreement, and will have no standing to object to the
21 Settlement. However, any such exclusion shall not apply to those Class Members who may be
22 eligible to receive a settlement payment under the PAGA settlement herein. Class Members who
23 do not timely request exclusion will be bound by the releases herein and receive an individual
24 settlement payment ("Participating Class Members"). A request for exclusion must be mailed to the
25 Settlement Administrator at its address to be provided in the Class Notice, and the Settlement
26 Administrator will promptly transmit the requests for exclusion to counsel for the parties.

27 47. Defective Submissions. If a Class Member's Request for Exclusion is defective as
28 to the requirements listed herein, that Class Member will be given an opportunity to cure the

1 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
2 business days of receiving the defective submission to advise the Class Member that his or her
3 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
4 The Class Member will have until the later of (i) the Response Deadline or (ii) fifteen (15) calendar
5 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
6 Exclusion. If the revised Request for Exclusion is not postmarked and mailed within that period, it
7 will be deemed untimely.

8 48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
9 Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely
10 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the
11 Released Claims, as well as any Judgment that may be entered by the Court if it grants final
12 approval of the Settlement.

13 49. Objection Procedures. The Notice shall state that Settlement Class Members who
14 wish to object to the Settlement may do so by a written statement of objection (“Notice of
15 Objection”) to be mailed by the Response Deadline to the Settlement Administrator or by appearing
16 at the hearing for Final Approval. The Objection must be signed by the Class Member and contain
17 all information required by this Settlement Agreement. The postmark date of the filing and service
18 will be deemed the exclusive means for determining that the Objection is timely. The Notice of
19 Objection must state: (1) the case name and number; (2) the name of the Settlement Class Member;
20 (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class
21 Member’s Social Security number; (4) the basis for the objection; and (5) if the Settlement Class
22 Member intends to appear at the Final Approval/Settlement Fairness Hearing. The Settlement
23 Administrator will promptly provide any Notices of Objection to the parties’ counsel upon
24 receiving them. Class Counsels will include all objections received and Plaintiffs’ response(s) with
25 Plaintiffs’ motion for final approval of the Settlement. Settlement Class Members may also have a
26 right to have their objections heard at the Final Approval/Settlement Fairness Hearing. Any Class
27 Members who request exclusion from the Settlement will have no standing to object to it.
28

1 50. Settlement Administrator Reports. The Settlement Administrator will provide
2 Defendant's counsel and Class Counsels a weekly report of the number of Class Members who
3 have submitted valid Requests for Exclusion, Objections, and disputes regarding Pay Periods
4 calculations. Additionally, the Settlement Administrator will provide to counsel for both Parties any
5 updated reports regarding the administration of the Settlement Agreement as needed or requested.

6 51. Distribution and Timing of Payments. Within sixty-five (65) calendar days of the
7 Effective Date, and after Defendant has fully funded the Qualified Settlement Fund with the
8 Maximum Settlement Amount, the Settlement Administrator will issue payments to: (i) all Class
9 Members who have not submitted a valid and timely Request for Exclusion, including any Class
10 Member whose notice was returned as undeliverable; (ii) Plaintiff; (iii) Class Counsel; and (iv) the
11 LWDA. The Settlement Administrator will also issue a payment to itself for Court-approved
12 services performed in connection with the Settlement. The Settlement Administrator will pay
13 Individual Settlement Payments from the Net Settlement Amount to all Participating Class
14 Members. The Settlement Administrator will do so by sending a check in the appropriate amount to
15 the Class Member at the address indicated in the list of Class Member names and addresses
16 provided by Defendant, or as subsequently determined by the Settlement Administrator to be
17 correct.

18 52. Un-Cashed Settlement Checks. Class Members will receive checks for their
19 Individual Settlement Payments. Checks will remain negotiable for one hundred twenty (120) days
20 ("Check-Cashing Deadline"). Any checks not cashed within one hundred twenty (120) calendar
21 days will be voided. The funds from the uncashed checks shall be distributed by the Settlement
22 Administrator, in accordance with California Code of Civil Procedure section 384. Any amounts
23 from settlement checks that remain uncashed and otherwise unclaimed shall be distributed to a
24 court approved *cy pres* beneficiary. Subject to Court approval, the Parties appoint Bet Tzedek Legal
25 Services, a section 501(c)(3) corporation, as the designated *cy pres* beneficiary. No later than ten
26 (10) calendar days after the expiration of the one hundred twenty (120) day period, the Settlement
27 Administrator shall pay the amounts contained in the settlement checks that were not cashed within
28 one hundred twenty (120) calendar days, and all interest that has accrued, to the *cy pres* beneficiary.

1 The Settlement Administrator shall provide a declaration of payment to the *cy pres* beneficiary,
2 which will be served on Class Counsels and Defendant's Counsel within ten (10) calendar days of
3 payment of the residual to such beneficiary. Any costs associated with administering the remaining
4 funds under this section (e.g., bank stop-payment charges, settlement administration costs
5 associated with any reserve amount) or payments to the *cy pres* beneficiary will be deducted before
6 donation of any *cy pres* funds.

7 53. Certification of Completion. Upon completion of administration of the Settlement,
8 the Settlement Administrator will provide a written declaration under oath to certify such
9 completion to the Court and counsel for all Parties.

10 54. Allocation of Individual Settlement Payments. All Individual Settlement Payments
11 will be allocated as follows: (a) 33% as wages and (b) 67% as penalties and interests. The
12 Settlement Administrator will be responsible for issuing to each claimant a form W-2 for amounts
13 deemed "wages" and an IRS Form 1099 for the portions allocated to penalties.

14 55. Administration of Taxes by the Settlement Administrator. The Settlement
15 Administrator will be responsible for issuing to Plaintiffs, Class Members, and Class Counsels tax
16 forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement
17 Administrator will also be responsible for forwarding all taxes and penalties to the appropriate
18 government authorities as may be required by law.

19 56. Tax Liability. Defendant makes no representation as to the tax treatment or legal
20 effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying on
21 any statement, representation, or calculation by Defendant or by the Settlement Administrator in
22 this regard. Plaintiffs and Class Members understand and agree that they will be solely responsible
23 for the payment of any taxes and penalties assessed on the payments described herein and will
24 defend, indemnify, and hold Defendant free and harmless from and against any claims resulting
25 from treatment of such payments as non-taxable damages.

26 57. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
27 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO
28 THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")

1 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
2 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
3 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
4 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE
5 CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
6 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
7 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON
8 HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
9 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT
10 ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
11 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS
12 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
13 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
14 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
15 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
16 THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES
17 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
18 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
19 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
20 CONTEMPLATED BY THIS AGREEMENT.

21 58. No Prior Assignments. The Parties and their counsel represent, covenant, and
22 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
23 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
24 action, cause of action or right herein released and discharged.

25 59. Nullification of Settlement Agreement. In the event that: (i) the Court does not
26 finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for
27 any other reason, then this Settlement Agreement, and any documents generated to bring it into
28

1 effect, will be null and void. Any order or judgment entered by the Court in furtherance of this
2 Settlement Agreement will likewise be treated as void from the beginning.

3 60. Preliminary Approval Hearing. Plaintiffs will obtain a date for hearing before the
4 Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a
5 Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement
6 purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date
7 for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for
8 the Notice of Class Action Settlement to be sent to all Class Members as specified herein. In
9 conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement
10 Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of
11 Class Action Settlement.

12 61. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
13 deadlines to postmark Requests for Exclusion and/or Objections to the Settlement Agreement, and
14 with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
15 determine the Final Approval of the Settlement Agreement along with the amounts properly payable
16 for (i) Individual Settlement Payments; (ii) the Class Representatives Enhancement Payments; (iii)
17 Attorneys' Fees and Costs; and (iv) all Settlement Administration Costs. The Final
18 Approval/Settlement Fairness Hearing will be held no earlier than thirty calendar (30) days after the
19 Response Deadline. Class Counsels will be responsible for drafting all documents necessary to
20 obtain final approval. Class Counsels will also be responsible for drafting the attorneys' fees and
21 costs application to be heard at the final approval hearing.

22 62. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
23 Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment
24 to the Court for its approval. After entry of the Judgment, the Court will have continuing
25 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of
26 the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may
27 be appropriate under court rules or as set forth in this Settlement Agreement.

28 63. General Release by Plaintiffs. In consideration for the consideration set forth in this

1 Agreement, Plaintiffs, for themselves, their heirs, successors and assigns, does waive, release,
2 acquit and forever discharge the Released Parties, from any and all claims, actions, charges,
3 complaints, grievances and causes of action, of whatever nature, whether known or unknown,
4 which exist or may exist on Plaintiffs' behalf as of the date of this Agreement, including but not
5 limited to any and all tort claims, contract claims, wage claims, wrongful termination claims,
6 disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal
7 injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud
8 claims, quantum meruit claims, and any and all claims arising under any federal, state or other
9 governmental statute, law, regulation or ordinance, including any claims arising under the
10 California Fair Employment and Housing Act (FEHA), the California Labor Code, the Wage Orders
11 of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with
12 Disabilities Act, the Age Discrimination in Employment Act (ADEA), the Employee Retirement
13 Income Security Act, Title VII of the Civil Rights Act of 1964, the California Fair Employment and
14 Housing Act, the California Family Rights Act, the Family Medical Leave Act, California's
15 Whistleblower Protection Act, California Business & Professions Code Section 17200 et seq., and
16 any and all claims arising under any federal, state or other governmental statute, law, regulation or
17 ordinance. Plaintiffs hereby expressly waive and relinquish any and all claims, rights or benefits
18 that they may have under California Civil Code § 1542, which provides as follows:

19
20 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
21 **WHICH THE CREDITOR OR RELEASING PARTY DOES**
22 **NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
23 **FAVOR AT THE TIME OF EXECUTING THE RELEASE**
WHICH IF KNOWN BY HIM OR HER WOULD HAVE
MATERIALLY AFFECTED HIS OR HER SETTLEMENT
WITH THE DEBTOR OR RELEASED PARTY.

24 Plaintiffs may hereafter discover claims or facts in addition to, or different from, those
25 which they now know or believe to exist, but they expressly agree to fully, finally and forever settle
26 and release any and all claims against the Released Parties, known or unknown, suspected or
27 unsuspected, which exist or may exist against Released Parties at the time of execution of this
28 Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiffs'

1 employment with Defendant. The Parties further acknowledge, understand and agree that this
2 representation and commitment is essential to the Agreement and that this Agreement would not
3 have been entered into were it not for this representation and commitment.

4 64. Release by All Settlement Class Members. Plaintiffs and all Class Members who do
5 not submit a valid and timely Request for Exclusion, on behalf of himself or herself, his or her
6 heirs, descendants, dependents, executors, administrators, assigns, and successors, fully and finally
7 release and discharge the Released Parties from any and all of the Released Claims for the entirety
8 of the Class Period across the Actions. This waiver and release will be final and binding on the date
9 in which Defendant fully funds the settlement, by depositing the Maximum Settlement Amount into
10 the Qualified Settlement Fund established by the Claim Administrator, and will have every
11 preclusive effect permitted by law. Plaintiffs and the Settlement Class Members may hereafter
12 discover facts or legal arguments in addition to or different from those they now know or currently
13 believe to be true with respect to the Released Claims. Regardless, the discovery of new facts or
14 legal arguments shall in no way limit the scope or definition of the Released Claims, and by virtue
15 of this Agreement, Plaintiffs and the Settlement Class Members shall be deemed to have, and by
16 operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled
17 and released all of the Released Claims. The Parties understand and specifically agree that the scope
18 of the release described in this Paragraph: is a material part of the consideration for this Agreement;
19 was critical in justifying the agreed upon economic value of this settlement and without it
20 Defendant would not have agreed to the consideration provided; and is narrowly drafted and
21 necessary to ensure that Defendant is obtaining peace of mind regarding the resolution of claims
22 that were or could have been alleged based on the facts, causes of action, and legal theories
23 contained in the operative complaint in the Action.

24 65. Released PAGA Claims. (collectively with Released Class Claims, the “Released
25 Claims”) means all claims, rights, demands, liabilities, causes of action, and theories of liability of
26 every nature and description under the California Labor Code Private Attorneys General Act of
27 2004, Labor Code Sections 2698, *et seq.*, whether known or unknown, that were or could have been
28 alleged against Defendant or any of the Released Parties arising out of, in connection with, or based

1 on the facts alleged in the Complaints and PAGA Letters for failure to pay minimum wage under
2 California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to pay
3 overtime wages under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage
4 Order; failure to provide and/or properly pay for rest periods under California Labor Code §§ 226.7,
5 516, 558, and the applicable IWC Wage Order; failure to provide and/or properly pay for meal
6 periods under California Labor Code §§ 226.7, 512 and the applicable IWC Wage Order; failure to
7 pay wages of terminated or resigned employees and waiting time penalties under California Labor
8 Code §§ 201-203 and the applicable IWC Wage Order; failure to maintain required records under
9 California Labor Code § 226 and the applicable IWC Wage Order; failure to provide accurate wage
10 statements including under California Labor Code § 226 and the applicable IWC Wage Order;
11 failure to indemnify employees for necessary expenditures incurred in discharge of duties under
12 California Labor Code §2802, any other claims or penalties under the California Labor Code or
13 other wage and hour laws pleaded in the Action, conversion, penalties, damages, interest, costs or
14 attorneys' fees, and violations of any other state or federal law, whether for economic damages,
15 non-economic damages, liquidated or punitive damages, restitution, tort, contract, equitable relief,
16 injunctive or declaratory relief, to the extent necessary to effect a full and complete release of the
17 Released PAGA Claims. This release shall extend to all such claims accrued during the PAGA
18 Period and shall be binding on all PAGA Members regardless of whether they submit a valid
19 Request for Exclusion from the Class.

20 66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
21 include the terms set forth in any attached Exhibits, which are incorporated by reference as though
22 fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the
23 Settlement.

24 67. Publicity Agreement. Plaintiffs and Class Counsels agree not to disclose or
25 publicize the Settlement, including the fact of the Settlement, its terms or contents, and the
26 negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person
27 or entity, except potential class members and as shall be contractually required to effectuate the
28 terms of the Settlement. For the avoidance of doubt, this section means Plaintiffs and Class

1 Counsels agree not to issue press releases, communicate with, or respond to any media or
2 publication entities, publish information in manner or form, whether printed or electronic, on any
3 medium or otherwise communicate, whether by print, video, recording or any other medium, with
4 any person or entity concerning the Settlement, including the fact of the Settlement, its terms or
5 contents and the negotiations underlying the Settlement, except as shall be contractually required to
6 effectuate the terms of the Settlement. However, for the limited purpose of allowing Plaintiffs'
7 Counsel to prove adequacy as class counsel in other actions for the limited purpose of showing to
8 the court that the case has settled, Plaintiffs' Counsel may disclose the name of the Parties in this
9 action and the venue/case number of this action (but not any other settlement details) for such
10 purposes.

11 68. No Unalleged Claims. Plaintiffs and Class Counsels represent that they are not
12 currently aware of any: (a) unalleged claims in addition to, or different from, those which are finally
13 and forever settled and released against the Released Parties by this Settlement; and (b) unalleged
14 facts or legal theories upon which any claims or causes of action could be brought against
15 Defendant, except such facts and theories specifically alleged in the operative complaints in this
16 Action. Plaintiffs and Plaintiffs' Counsels will further represent that, other than the instant Action,
17 they have no current intention of asserting any other claims against Defendant in any judicial or
18 administrative forum and do not currently know of or represent any persons who have expressed
19 any interest in pursuing litigation or seeking any recovery against Defendant. The Parties
20 acknowledge, understand and agree that the representations described in this paragraph are essential
21 to the Settlement Agreement and that this Settlement Agreement would not have been entered into
22 were it not for this representation.

23 69. Defendant's Option to Revoke Settlement. If, after the Response Deadline, the
24 number of Settlement Class Members who submitted timely and valid written requests for
25 exclusion from the Settlement is at least five percent (5%) of all 670 Settlement Class Members,
26 Defendant shall have, in its sole discretion, the option to terminate this Settlement. If Defendant
27 exercises the option to terminate this Settlement, Defendant shall: (a) provide written notice to
28 Class Counsels within seven (7) business days after the Response Deadline and (b) pay all

1 Settlement Administration Costs incurred up to the date or as a result of the termination, and the
2 Parties shall proceed in all respects as if this Settlement Agreement had not been executed.

3 70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
4 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
5 agreements may be deemed binding on the Parties.

6 71. Amendment or Modification. This Settlement Agreement may be amended or
7 modified only by a written instrument signed by counsel for all Parties or their successors-in-
8 interest.

9 72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
10 and represent they are expressly authorized by the Parties whom they represent to negotiate this
11 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
12 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
13 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
14 counsel will cooperate with each other and use their best efforts to effect the implementation of the
15 Settlement. If the Parties are unable to reach agreement on the form or content of any document
16 needed to implement the Settlement, or on any supplemental provisions that may become necessary
17 to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
18 such disagreement.

19 73. Binding on Successors and Assigns. This Settlement Agreement will be binding
20 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
21 defined.

22 74. California Law Governs. All terms of this Settlement Agreement and Exhibits
23 hereto will be governed by and interpreted according to the laws of the State of California.

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

1 76. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
2 this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have
3 arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
4 taking into account all relevant factors, present and potential. The Parties further acknowledge that
5 they are each represented by competent counsel and that they have had an opportunity to consult
6 with their counsel regarding the fairness and reasonableness of this Settlement. In addition, the
7 Mediator may execute a declaration supporting the Settlement and the reasonableness of the
8 Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and
9 whether or not the Settlement is objectively fair and reasonable

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

14 78. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
15 class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class
16 Counsels may appeal any reduction in Attorneys' Fees and Costs below the amount they request
17 from the Court, and either party may appeal any court order that materially alters the Settlement
18 Agreement's terms.

19 79. Non-Admission of Liability. The Parties enter into this Settlement to resolve the
20 dispute that has arisen between them and to avoid the burden, expense and risk of continued
21 litigation. In entering into this Settlement, Defendant does not admit, and specifically denies, that it
22 violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant
23 to any statute or any other applicable laws, regulations or legal requirements; breached any contract;
24 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any
25 other unlawful conduct with respect to its employees. Neither this Settlement, nor any of its terms
26 or provisions, nor any of the negotiations connected with it, will be construed as an admission or
27 concession by Defendant of any such violations or failures to comply with any applicable law.
28 Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement and its

1 terms and provisions will not be offered or received as evidence in any action or proceeding to
2 establish any liability or admission on the part of Defendant or to establish the existence of any
3 condition constituting a violation of, or a non-compliance with, federal, state, local or other
4 applicable law.

5 80. Waiver. No waiver of any condition or covenant contained in this Settlement or
6 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
7 constitute a further waiver by such party of the same or any other condition, covenant, right or
8 remedy.

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

14 82. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
15 and conditions of this Settlement. Accordingly, this Settlement Agreement will not be construed
16 more strictly against one party than another merely by virtue of the fact that it may have been
17 prepared by counsel for one of the Parties. It being recognized that, because of the arms-length
18 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
19 Agreement.

20 83. Representation By Counsel. The Parties acknowledge that they have been
21 represented by counsel throughout all negotiations that preceded the execution of this Settlement
22 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
23 counsel. Further, Plaintiffs and Class Counsels warrant and represent that there are no liens on the
24 Settlement Agreement.

25 84. All Terms Subject to Final Court Approval. All amounts and procedures described
26 in this Settlement Agreement herein will be subject to final Court approval.

85. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

86. 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.

SO AGREED AND STIPULATED

PLAINTIFF ERICKA CARROLL

DocuSigned by:

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Dated: October 6, 2021

Ericka Monique Carroll

PLAINTIFF BLAIKE WELLINGTON

DATED: October 6, 2021

Blaike Wellington

PLAINTIFF BETTY PEREZ

DATED: October 6, 2021

Betty Perez

DEFENDANT L.A. FAMILY HOUSING CORPORATION

DATED: October 6, 2021

By: Stephane Klasky-Gamer
Title: CEO

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SO AGREED AND STIPULATED

PLAINTIFF ERICKA CARROLL

Dated: October 6, 2021

Ericka Monique Carroll

PLAINTIFF BLAIKE WELLINGTON

DATED: October 6, 2021

Blaike Wellington
Blaike Wellington (Oct 7, 2021 16:51 EDT)

Blaike Wellington

PLAINTIFF BETTY PEREZ

DATED: October 6, 2021

Betty Perez

DEFENDANT L.A. FAMILY HOUSING CORPORATION

DATED: October 6, 2021

By: Stephane Klasky-Gamer
Title: CEO

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PLAINTIFF ERICKA CARROLL

Dated: October 6, 2021

Ericka Monique Carroll

PLAINTIFF BLAIKE WELLINGTON

DATED: October 6, 2021

Blake Wellington

PLAINTIFF BETTY PEREZ

DATED: October 6, 2021

DocuSigned by:


Betty Perez E8CB7C1C06CB418...

DEFENDANT L.A. FAMILY HOUSING CORPORATION

DATED: October 6, 2021

By: Stephane Klasky-Gamer
Title: CEO

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SO AGREED AND STIPULATED

PLAINTIFF ERICKA CARROLL

Dated: October 6, 2021

Ericka Monique Carroll

PLAINTIFF BLAIKE WELLINGTON

DATED: October 6, 2021

Blake Wellington

PLAINTIFF BETTY PEREZ

DATED: October 6, 2021

Betty Perez

DEFENDANT L.A. FAMILY HOUSING CORPORATION

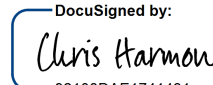
DATED: October 6, 2021
10/6/2021

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By: Stephanie Klasky-Gamer
Title: CEO

LEWIS BRISBOIS BISGAARD & SMITH

DocuSigned by:

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DATED: October 6, 2021
10/6/2021

By _____
Katherine Den Bleyker
Christopher W. Harmon
Armine Antonyan
Attorneys for Defendant, L.A. Family
Housing Corporation

DAVID YEREMIAN & ASSOCIATES, INC.

DATED: October 6, 2021

By _____
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff, Ericka Monique
Carroll and all others similarly situated

DATED: October 6, 2021

WEST COAST TRIAL LAWYERS, APLC

By: _____
Ronald Zambrano
Melineh Kasbarian
Attorneys for Plaintiff Blaike Wellington

DATED: May ____ 2021

AEGIS LAW FIRM, PC

By: _____
Kashif Haque
Jessica L. Campbell
Attorneys for Plaintiff Blaike Wellington

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LEWIS BRISBOIS BISGAARD & SMITH

DATED: October 6 2021

By _____
Katherine Den Bleyker
Christopher W. Harmon
Armine Antonyan
Attorneys for Defendant, L.A. Family
Housing Corporation

DAVID YEREMIAN & ASSOCIATES, INC.

DATED: October 6, 2021

By  _____
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff, Ericka Monique
Carroll and all others similarly situated

DATED: October 6, 2021

WEST COAST TRIAL LAWYERS, APLC

By: _____
Ronald Zambrano
Melineh Kasbarian
Attorneys for Plaintiff Blaike Wellington

DATED: October 6, 2021

AEGIS LAW FIRM, PC

By:  _____
Kashif Haque
Jessica L. Campbell
Alexander G.L. Davies
Attorneys for Plaintiff Betty Perez

LEWIS BRISBOIS BISGAARD & SMITH

DATED: October 6, 2021

By _____
Katherine Den Bleyker
Christopher W. Harmon
Armine Antonyan
Attorneys for Defendant, L.A. Family
Housing Corporation

DAVID YEREMIAN & ASSOCIATES, INC.

DATED: October 6, 2021

By _____
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff, Ericka Monique
Carroll and all others similarly situated

DATED: October 6, 2021

WEST COAST TRIAL LAWYERS, APLC

By:  _____
Ronald Zambrano
Melineh Kasbarian
Attorneys for Plaintiff Blaike Wellington

DATED: May ____ 2021

AEGIS LAW FIRM, PC

By: _____
Kashif Haque
Jessica L. Campbell
Attorneys for Plaintiff Blaike Wellington

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LEWIS BRISBOIS BISGAARD & SMITH

DATED: October 6 2021

By _____
Katherine Den Bleyker
Christopher W. Harmon
Armine Antonyan
Attorneys for Defendant, L.A. Family
Housing Corporation

DAVID YEREMIAN & ASSOCIATES, INC.

DATED: October 6, 2021

By _____
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff, Ericka Monique
Carroll and all others similarly situated

DATED: October 6, 2021

WEST COAST TRIAL LAWYERS, APLC

By: _____
Ronald Zambrano
Melineh Kasbarian
Attorneys for Plaintiff Blaike Wellington

DATED: October 6, 2021

AEGIS LAW FIRM, PC

By:  _____
Kashif Haque
Jessica L. Campbell
Alexander G.L. Davies
Attorneys for Plaintiff Betty Perez

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Ericka Carroll v L.A. Family Housing, LLC, et al.

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced matter.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

You will be paid your individual class settlement amount unless you exclude yourself. You will be paid your individual PAGA settlement amount and cannot exclude yourself from the PAGA group.

This Notice is designed to advise you of your rights and options with respect to the settlement.

By order of the Superior Court of California for the County of Los Angeles (the "Court" or "Los Angeles County Superior Court"), you are notified that: preliminary approval of a class action settlement reached between Ericka Monique Carroll, Betty Perez, and Blaike Wellington ("Plaintiffs") and Defendant L.A. Family Housing Corporation, a California domestic nonprofit ("Defendant") ("Plaintiffs and Defendant are collectively referred to herein as the "Parties"), was granted on **[Preliminary Approval Date]**, in the case entitled *Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474, which may affect your legal rights.

If you are a Class Member (or member of the Class), you need not take any action to receive a settlement payment, but you have the opportunity to request exclusion from the settlement (in which case you will not receive payment under the settlement), object to the settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

I. IMPORTANT DEFINITIONS

- **"Class Member"** means all current and former non-exempt employees of Defendant who worked in California at any time from February 4, 2016 to June 9, 2021.
- **"Class Period"** means the time period from February 4, 2016 to June 9, 2021.
- **"PAGA Member"** means all current and former non-exempt employees of Defendant who worked in California at any time from October 23, 2018 through June 9, 2021.
- **"PAGA Period"** means the time period from October 23, 2018 through June 9, 2021.
- **"Named Class Representative Plaintiffs"** means Plaintiffs Ericka Monique, Blaike Wellington and Betty Perez.

II. BACKGROUND OF THE ACTION

On February 4, 2020, Plaintiff Ericka Carroll filed a class action complaint in Los Angeles Superior Court (Case No. 20STCV04474) alleging nine causes of action against Defendant for: (1) Failure to Pay Minimum Wages, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Meal-Break Liability Under Labor Code § 226.7, (4) Rest-Break Liability Under Labor Code § 226.7, (5) Violation of Labor Code § 226(a), (6) Violation of Labor Code § 221, (7) Violation of Labor Code § 203, (8) Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802, and (9) Violation of Business & Professions Code § 17200, *et seq.* On July 17, 2020, Plaintiff Ericka Carroll amended the complaint to add a single cause of action under the Private Attorney General

Act, Labor Code § 2698, *et seq.*

On February 25, 2020, Plaintiff Blaike Wellington filed a representative action in Los Angeles Superior Court (Case No. 20STCV07797) alleging six causes of action against Defendant for: (1) Meal Break and Rest Break Liability Under Labor Code 226.7, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Violation of Labor Code § 226(a), (4) Violation of Labor Code § 203, (5) Violation of the Private Attorney General Act, Labor Code § 2698, *et seq.*, and (6) Violation of Business & Professions Code § 17200, *et seq.* (“Wellington Matter”)

On October 28, 2020, Plaintiff Betty Perez filed a class action complaint in Los Angeles Superior Court (Case No. 2041617) alleging eight causes of action against Defendant for: (1) Failure to Pay Minimum Wages, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Meal-Break Liability Under Labor Code § 226.7, (4) Rest-Break Liability Under Labor Code § 226.7, (5) Violation of Labor Code § 226(a), (6) Violation of Labor Code § 203, (7) Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802, and (8) Violation of Business & Professions Code § 17200, *et seq.* (“Perez Matter”)

Each of the above cases are collectively referred to as the “Actions.”

Plaintiffs alleged that Defendant violated the California Labor Code and California Business and Professions Code with respect to themselves and the Class Members by, *inter alia*, failing to properly pay for all hours worked, failing to provide timely meal and rest breaks or one hour of premium pay in lieu thereof, for failing to reimburse all necessary business expenditures, failing to provide accurate wage statements, and associated waiting time penalties thereby engaging in unfair business practices and owing penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* (“PAGA”).

Defendant denies all of the allegations in the Action or that it violated any law. Defendant contends that at all times it has fully complied with all applicable federal, state, and local laws. Defendant further contends that it paid employees for all time worked, accurately recorded all hours worked, enforced California compliant meal and rest periods or provided one hour of premium pay in lieu thereof, and reimbursed any employees for any business expenses which they paid or incurred. It is Defendant’s position that, if litigation continued, class certification would be denied on all claims and/or the claims would be subject to motions for summary adjudication and/or summary judgment. Defendant contends that the theories put forth by Plaintiffs in the Actions are contrary to the facts and that the PAGA claim lacks merit. Defendant further contends that Plaintiffs are not adequate class representatives, their claims are not typical of the Class Members; and individual issues predominate over common ones.

On February 9, 2021, the Parties participated in one full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement Agreement”). As part of the Settlement Agreement, Plaintiffs Blaike Wellington and Betty Perez have joined the *Ericka Carroll v L.A. Family Housing, LLC, et al.*, lawsuit as class representatives.

On April 27, 2021, Plaintiff Ericka Carroll filed a Second Amended Complaint which added the plaintiffs’ and causes of actions in both the Perez Matter and Wellington Matter to her lawsuit.

On [Preliminary Approval Date], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the settlement (“Settlement Administrator”), Plaintiffs are representatives of the Class (“Class Representative”), and the following law firm as lead counsel for the Class (“Class Counsel”):

David Yeremian
Roman Shkodnik
David Yeremian & Associates Inc.
535 North Brand Blvd, Suite 705
Glendale, California 91203

The settlement represents a compromise and settlement of highly disputed claims. Nothing in the settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs or to Class Members. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the settlement is fair, reasonable and adequate, and that the settlement is in the best interests of the Class Members. The Court has not ruled on the merits of Plaintiffs' claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations in the Action and whether this Action should proceed as a class action.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Nature of Class and PAGA Claims

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. The Named Class Representative Plaintiffs in the Action asserted claims on behalf of themselves and the class. LAFH is the Defendant. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

In a PAGA Action, a plaintiff seeks to collect civil penalties that would otherwise be collected by the State of California for Labor Code claims allegedly suffered by employees. Plaintiffs, Ericka Carroll and Blaike Wellington, are the Class PAGA Representatives in the Action, and they asserted claims on behalf of themselves and similarly situated employees and the State of California. If you are an PAGA Member, you on behalf of yourself and your respective heirs, executors, administrators, personal representatives, successors and assigns, irrevocably and unconditionally forever and fully release (and covenant not to sue or otherwise pursue claims, whether known or unknown, against) all Released Parties from any and all Settled PAGA Claims. "Settled PAGA Claims" means any and all claims for relief, which you have had, now have against the Released Parties or any of them for any or all claims alleged in the Complaint in the PAGA Case or which could have been alleged in the Complaint in the PAGA Case based on the allegations, facts, events, policies, matters, transactions or occurrences disclosures, statements, omissions or failures to act alleged therein under California's Private Attorney General Act or PAGA, including without limiting the generality thereof the claims listed in the Action. The release of the foregoing claims, extends to all theories of relief regardless of whether the claim is, was or could have been alleged as separate claims, causes of action, lawsuits or based on other theories of relief, whether under California law, federal law, state law or common law (including, without limitation, as violations of the California Labor Code and applicable regulations). "Settled PAGA Claims" includes all types of relief available for the above-referenced claims under the PAGA.

B. Class Settlement Formula

The total Maximum Settlement Amount is One Million Dollars and Zero Cents (\$1,000,000.00) (the "Maximum

Settlement Amount”). The portion of the Maximum Settlement Amount that is available for payment to Class Members who do not timely and validly request exclusion from the settlement (“Participating Class Members”) is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Maximum Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees in the amount of up to \$333,333.33 and reimbursement of litigation costs and expenses in the amount of up to \$25,000.00 to Class Counsel (“Attorneys’ Fees and Costs”); (2) service award to Plaintiffs, Ericka Carroll, Betty Perez and Blaike Wellington each in the amount of \$7,500.00 (“Service Payments”); (3) fees and expenses of administration of the Settlement to the Settlement Administrator is expected not to exceed \$13,806.70 (“Settlement Administration Costs”); and (4) the seventy-five percent (75%) share of PAGA Penalties (“LWDA Payment”) in the amount of \$50,000.00 to the California Labor and Workforce Development Agency (“LWDA”).

Participating Class Members will be entitled to receive payment under the settlement of their share of the Net Settlement Amount (“Class Settlement Amount”) based on the numbers of workweeks worked by Class Members as a non-exempt hourly employee for Defendant from February 4, 2016 to May 9, 2021 (“Class Workweeks”). Workweeks were calculated based on the start and end dates of each Class Member’s employment during the Class Period.

Class Settlement Amounts will be calculated using the following formula: each Participating Class Member’s individual Class Workweeks will be divided by the total aggregate Class Workweeks of all Participating Class Members to derive his or her Payment Ratio Fraction. Each Participating Class Member’s Payment Ratio Fraction will be multiplied by the Net Settlement Amount to determine the Class Settlement Amount.

C. PAGA Settlement Formula

With Court approval, \$12,500 shall be allocated to resolve any claims brought under the PAGA and paid on a pro-rata basis to the PAGA Members. PAGA Members will be entitled to receive payment under the settlement of their share of the Net Settlement Amount allocated to the PAGA claims (“PAGA Settlement Amount”) based on the numbers of workweeks worked by PAGA Members as a non-exempt hourly employee for Defendant from October 23, 2018 through June 9, 2021 (“PAGA Workweeks”). PAGA Workweeks were calculated based on the start and end dates of each Class Member’s employment during the PAGA Period.

PAGA Settlement Amounts will be calculated using the following formula: each PAGA Member’s individual PAGA Workweeks will be divided by the total aggregate PAGA Workweeks of all PAGA Members to derive his or her Payment Ratio Fraction. Each PAGA Member’s Payment Ratio Fraction will be multiplied by the Net Settlement Amount allocated to the PAGA claims to determine the PAGA Settlement Amount.

D. Your Workweeks Based on Defendant’s Records

According to Defendant’s payroll records, you worked:

- [REDACTED] Class Workweeks during the Class Period.
- [REDACTED] PAGA Workweeks during the PAGA Period.

A description of how the workweeks were calculated and credited to Class Members is described above in Section III(B) and (C). If you wish to dispute the workweeks credited to you, you may submit such dispute (a “Workweeks Dispute”) in writing to the Settlement Administrator. The written dispute must: (a) contain your full name, address, telephone number, the last four digits of your Social Security Number, and signature; (b) contain the case name and number of the action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) contain a clear statement indicating that you dispute the number of

Workweeks credited to you; (d) documentation that supports your belief that you should be credited with a different number of Workweeks; and (e) be mailed to the Settlement Administrator at the address listed in Section IV.B below, postmarked **no later than [Response Deadline]**.

E. Your Estimated Individual Settlement Amount

As explained above, your estimated individual settlement payments are as follows:

- **Your Class Settlement Amount is estimated to be \$** .
- **Your PAGA Settlement Amount is estimated to be \$** .

Your Individual Settlement Amount reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

The “Individual Settlement Amount” which is comprised of the PAGA Settlement Amount and the Class Settlement Amount is subject to reduction for employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Amount and will only be distributed if the Court approves the settlement and after the settlement goes into effect. Each Individual Settlement Amount will be allocated as thirty-three percent (33%) wages (which will be reported on an IRS Form W2), and sixty-seven percent (67%) penalties and interest (which will be reported on an IRS Form 1099, if applicable). Each Individual Settlement Amount will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Amount, resulting in a net payment to the Class Member.

The settlement approval process may take multiple months. If the Court grants final approval of the settlement, the Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.

F. Released Claims

Upon the Effective Date, each of the Participating Class Members (including the Class Representative) will be deemed to have, and by operation of the Judgment will have fully, finally, and forever released, relinquished and discharged Defendant and the Released Parties from any and all Released Claims.

“Released Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action contingent or accrued which arise from the factual allegations and claims set forth in the operative Complaint during the Settlement Class Period as set forth in this Action, including, but not limited to, the failure to pay minimum wage under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to pay overtime wages under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to provide and/or properly pay for rest periods under California Labor Code §§ 226.7, 516, 558, and the applicable IWC Wage Order; failure to provide and/or properly pay for meal periods under California Labor Code §§ 226.7, 512 and the applicable IWC Wage Order; failure to pay wages of terminated or resigned employees and waiting time penalties under California Labor Code §§ 201-203 and the applicable IWC Wage Order; failure to maintain required records under California Labor Code § 226 and the applicable IWC Wage Order; failure to provide accurate wage statements including under California Labor Code § 226 and the applicable IWC Wage Order; failure to indemnify employees for necessary expenditures incurred in discharge of duties under California Labor Code §2802; violations of unfair competition law under California Business and Professions Code §§ 17200-17208; any other claims or penalties under the California

Labor Code or other wage and hour laws pleaded in the Action; all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief and claims for restitution; and other equitable relief, liquidated damages, waiting time penalties, or any other benefit claimed on account of the allegations asserted in the Action. The period of the Release shall extend to the limits of the Class Period. The *res judicata* effect of the Judgment will be the same as that of the Release. Defendant shall be entitled to a release of Released Claims which occurred during the Class Period only during such time that the Settlement Class Member was classified as non-exempt, and expressly excluding all other claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Class Period.

"Released Parties" means Defendant L.A. Family Housing Corporation, and their past, present and/or future, direct and/or indirect, owners, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, if any.

G. Attorneys' Fees and Costs to Class Counsels

Class Counsels will seek attorneys' fees in an amount of up to one-third (1/3) of the Maximum Settlement Amount (i.e., an amount of up to \$333,333.33) and reimbursement of litigation costs and expenses in an amount of up to Twenty-Five Thousand Dollars (\$25,000.00), to be paid from the Maximum Settlement Amount, subject to approval by the Court. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

H. Service Payment to Plaintiffs

The Named Class Representative Plaintiffs will apply to the Court for their respective Class Representative Enhancement Payments. Plaintiffs, Ericka Monique, Blaike Wellington and Betty Perez each seek a Class Representative Enhancement Payment of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00). These Service Payment will be paid from the Maximum Settlement Amount subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to her Individual Settlement Payment that they are entitled to under the settlement.

I. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator, ILYM Group, Inc., is estimated not to exceed Thirteen Thousand Eight Hundred and Six Dollars and Seventy Cents (\$13,806.70) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the settlement, processing Requests for Exclusion, Workweeks Disputes, and objections, calculating Individual Settlement Payments, and distributing payments and tax forms under the settlement, and shall be paid from the Maximum Settlement Amount subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to receive your Individual Settlement Payment from the settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Payment in the form of a check unless you decide to exclude yourself from the settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the settlement and any judgment that may be entered by the Court based thereon,

and you will be deemed to have released the Released Claims against the Released Parties as described in Section III.D above. You will have 120 days to cash the check. If you do not cash the check, the money will be sent to Bet Tzedek Legal Services, but you will still be deemed to have released your claims. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the settlement, you may seek exclusion from the settlement by submitting a written request to be excluded from the settlement ("Request for Exclusion") to the Settlement Administrator at the following address:

ILYM Group, Inc.

14771 Plaza Dr Suite J, Tustin, CA 92780

A request for exclusion must: (a) contain your full name, address, the last 4 digits of Social Security Number, and signature; (b) contain the case name and number of the Action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) contain a statement indicating that you intend to be excluded from the settlement; and (4) be mailed to the Settlement Administrator at the address listed above, postmarked **no later than [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be entitled to receive any payment from the settlement, will not be bound by the settlement (and the release of Released Claims stated in Section III.D above), and will not have any right to object to, appeal, or comment on the settlement. Any Class Members who do not submit a timely and valid Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the settlement, including those pertaining to the release of Released Claims stated in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Objecting to the Settlement

You can object to the terms of the settlement as long as you have not submitted a Request for Exclusion. To object, you must do so by way of a written objection that: (a) contains your full name, dates of employment as a non-exempt or hourly-paid employee of Defendant in California, the last 4 digits of your Social Security Number, and signature; (b) contains the case name and number of the Action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) all legal and factual bases for the objection to the Settlement; (d) whether you intend to appear at the Final Approval Hearing; (e) whether you are represented by legal counsel, and if so, identify the legal counsel and their address; and (f) is mailed to the Settlement Administrator and postmarked **no later than [Response Deadline]**.

You will have the option to make an audio or video appearance using LA Court Connect <http://www.lacourt.org/laceligibility/ui/civil.aspx?casetype=ci> to appear at the Final Approval Hearing in Department 17 of Los Angeles County Superior Court at 312 N. Spring Street., Los Angeles, CA 90012, on **[Final Approval Hearing Date]**, at **[Time]** and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing. All objections submitted in regards to this lawsuit will be provided to the judge at the time of the final approval hearing. If you wish to appear to the Final Approval hearing then you must review and adhere to the Los Angeles Superior Court's Website social distance requirements "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 http://www.lacourt.org/pdf/recovery_social_distancing.pdf.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 17 of the Los Angeles County Superior Court located at 312 N. Spring Street., Los Angeles, CA 90012, on **[Final Approval Hearing Date]**, at **[Time]**. This hearing will determine whether the Settlement should be finally approved as fair, reasonable, and adequate and whether the attorneys' fees, costs to Class Counsel, the Service Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator should be awarded.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing. If you wish to appear to the Final Approval hearing then you must review the below COVID-19 guidelines and also review and adhere to the Los Angeles Superior Court's Website "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>.

A. Notice of Final Judgment

Notice of final judgment, once granted by the court, will be posted on the claim administrator's website at the following website address < [\[redacted\]](#) >.

VI. LOS ANGELES SUPERIOR COURT SOCIAL DISTANCING GUIDELINES DUE TO COVID-19

According to presiding Judge Kevin C. Brazile, the number of people allowed into the Los Angeles County Courthouses are being limited. Public access to courthouses is restricted to authorized persons only and measures to enforce social distancing in courthouse hallways and courtrooms will be strictly enforced as coronavirus cases and hospitalizations surge in Los Angeles County. This means that Under General Order (2020-GEN-25 -00), public access to courthouses is limited at all times to judicial officers, court employees, co-lessees, Judicial Council staff, vendors, jurors, mediators, authorized persons (including news media representatives and news reporters), attorneys, litigants and witnesses with matters on calendar, and individuals with confirmed appointments.

In the interest of enforcing social distancing and to reduce the number of people in courthouses, effective Monday, November 30, members of the public, not otherwise referenced above, who wish to attend a court proceeding may do so upon advance request and at the discretion of the judicial officer presiding over the matter.

Therefore, if you want to appear in person you must first contact and obtain the permission of the courtroom clerk for Dept. 17 of the Spring Street Courthouse: (213) 310-7017. Before contacting the courtroom clerk of Department 17 you must first review the Los Angeles Superior Court's Website "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>.

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action at the Los Angeles Superior Court, located at 111 N. Hill Street, Los Angeles, CA 90012, during business hours Or by visiting the court website at <http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil> and typing in the case number.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR ILYM GROUP AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT B

NOTICE OF CLASS ACTION SETTLEMENT

Ericka Carroll v L.A. Family Housing, LLC, et al.

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced matter.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

~~You~~ You will be paid your individual class settlement amount unless you exclude yourself.

~~You will be paid your individual paga~~ **PAGA settlement amount and cannot exclude yourself from the PAGA group.**

This Notice is designed to advise you of your rights and options with respect to the settlement.

By order of the Superior Court of California for the County of Los Angeles (the "Court" or "Los Angeles County Superior Court"), you are notified that: preliminary approval of a class action settlement reached between Ericka Monique Carroll, Betty Perez, and Blaike Wellington ("Plaintiffs") and Defendant L.A. Family Housing Corporation, a California domestic nonprofit ("Defendant") ("Plaintiffs and Defendant are collectively referred to herein as the "Parties"), was granted on **Preliminary Approval Date**, in the case entitled *Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474, which may affect your legal rights.

If you are a Class Member (or member of the Class), you need not take any action to receive a settlement payment, but you have the opportunity to request exclusion from the settlement (in which case you will not receive payment under the settlement), object to the settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

I. IMPORTANT DEFINITIONS

- **"Class Member"** means all current and former non-exempt employees of Defendant who worked in California at any time from February 4, 2016 to June 9, 2021.

~~"Class Member" means a member of the Class.~~

- **"Class Period"** means the time period from February 4, 2016 to June 9, 2021.

- **"PAGA Member"** means all current and former non-exempt employees of Defendant who worked in California at any time from October 23, 2018 through June 9, 2021.

- **"PAGA Period"** means the time period from October 23, 2018 through June 9, 2021.

- **"Named Class Representative Plaintiffs"** means Plaintiffs Ericka Monique, Blaike Wellington and Betty Perez.

II. BACKGROUND OF THE ACTION

On February 4, 2020, Plaintiff Ericka Carroll filed a class action complaint in Los Angeles Superior Court (Case No. 20STCV04474) alleging nine causes of action against Defendant for: (1) Failure to Pay Minimum Wages, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Meal-Break Liability Under Labor Code § 226.7, (4) Rest-Break Liability Under Labor Code § 226.7, (5) Violation of Labor Code § 226(a), (6) Violation of Labor Code § 221, (7) Violation of Labor Code § 203, (8) Failure to Reimburse Necessary Business Expenses

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Under Labor Code § 2802, and (9) Violation of Business & Professions Code § 17200, *et seq.* On July 17, 2020, Plaintiff Ericka Carroll amended the complaint to add a single cause of action under the Private Attorney General Act, Labor Code § 2698, *et seq.*

On February 25, 2020, Plaintiff Blaike Wellington filed a representative action in Los Angeles Superior Court (Case No. 20STCV07797) alleging six causes of action against Defendant for: (1) Meal Break and Rest Break Liability Under Labor Code 226.7, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Violation of Labor Code § 226(a), (4) Violation of Labor Code § 203, (5) Violation of the Private Attorney General Act, Labor Code § 2698, *et seq.*, and (6) Violation of Business & Professions Code § 17200, *et seq.* (“Wellington Matter”)

On October 28, 2020, Plaintiff Betty Perez filed a class action complaint in Los Angeles Superior Court (Case No. 2041617) alleging eight causes of action against Defendant for: (1) Failure to Pay Minimum Wages, (2) Failure to Pay Wages and Overtime Under Labor Code § 510, (3) Meal-Break Liability Under Labor Code § 226.7, (4) Rest-Break Liability Under Labor Code § 226.7, (5) Violation of Labor Code § 226(a), (6) Violation of Labor Code § 203, (7) Failure to Reimburse Necessary Business Expenses Under Labor Code § 2802, and (8) Violation of Business & Professions Code § 17200, *et seq.* (“Perez Matter”)

Each of the above cases are collectively referred to as the “Actions.”

Plaintiffs alleged that Defendant violated the California Labor Code and California Business and Professions Code with respect to themselves and the Class Members by, *inter alia*, failing to properly pay for all hours worked, failing to provide timely meal and rest breaks or one hour of premium pay in lieu thereof, for failing to reimburse all necessary business expenditures, failing to provide accurate wage statements, and associated waiting time penalties thereby engaging in unfair business practices and owing penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* (“PAGA”).

Defendant denies all of the allegations in the Action or that it violated any law. Defendant contends that at all times it has fully complied with all applicable federal, state, and local laws. Defendant further contends that it paid employees for all time worked, accurately recorded all hours worked, enforced California compliant meal and rest periods or provided one hour of premium pay in lieu thereof, and reimbursed any employees for any business expenses which they paid or incurred. It is Defendant’s position that, if litigation continued, class certification would be denied on all claims and/or the claims would be subject to motions for summary adjudication and/or summary judgment. Defendant contends that the theories put forth by Plaintiffs in the Actions are contrary to the facts and that the PAGA claim lacks merit. Defendant further contends that Plaintiffs are not adequate class representatives, their claims are not typical of the Class Members; and individual issues predominate over common ones.

On February 9, 2021, the Parties participated in one full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement Agreement”). As part of the Settlement Agreement, Plaintiffs Blaike Wellington and Betty Perez have joined the *Ericka Carroll v L.A. Family Housing, LLC, et al.*, lawsuit as class representatives.

On April 27, 2021, Plaintiff Ericka Carroll filed a Second Amended Complaint which added the plaintiffs’ and causes of actions in both the Perez Matter and Wellington Matter to her lawsuit.

On [Preliminary Approval Date], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the settlement (“Settlement Administrator”), Plaintiffs

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are representatives of the Class ("Class Representative"), and the following law firm as lead counsel for the Class ("Class Counsel"):

David Yeremian
Roman Shkodnik
David Yeremian & Associates Inc.
535 North Brand Blvd, Suite 705
Glendale, California 91203

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The settlement represents a compromise and settlement of highly disputed claims. Nothing in the settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs or to Class Members. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the settlement is fair, reasonable and adequate, and that the settlement is in the best interests of the Class Members. The Court has not ruled on the merits of Plaintiffs' claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations in the Action and whether this Action should proceed as a class action.

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III. SUMMARY OF THE PROPOSED SETTLEMENT

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A. Nature of Class and PAGA Claims

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In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. The Named Class Representative Plaintiffs in the Action asserted claims on behalf of themselves and the class. LAFH is the Defendant. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

In a PAGA Action, a plaintiff seeks to collect civil penalties that would otherwise be collected by the State of California for Labor Code claims allegedly suffered by employees. Plaintiffs, Ericka Carroll and Blaike Wellington, are the Class PAGA Representatives in the Action, and they asserted claims on behalf of themselves and similarly situated employees and the State of California. If you are an PAGA Member, you on behalf of yourself and your respective heirs, executors, administrators, personal representatives, successors and assigns, irrevocably and unconditionally forever and fully release (and covenant not to sue or otherwise pursue claims, whether known or unknown, against) all Released Parties from any and all Settled PAGA Claims. "Settled PAGA Claims" means any and all claims for relief, which you have had, now have against the Released Parties or any of them for any or all claims alleged in the Complaint in the PAGA Case or which could have been alleged in the Complaint in the PAGA Case based on the allegations, facts, events, policies, matters, transactions or occurrences disclosures, statements, omissions or failures to act alleged therein under California's Private Attorney General Act or PAGA, including without limiting the generality thereof the claims listed in the Action. The release of the foregoing claims, extends to all theories of relief regardless of whether the claim is, was or could have been alleged as separate claims, causes of action, lawsuits or based on other theories of relief, whether under California law, federal law, state law or common law (including, without limitation, as violations of the California Labor Code and applicable regulations). "Settled PAGA Claims" includes all types of relief available for the above-referenced claims under the PAGA.

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A.B. Class Settlement Formula

The total Maximum Settlement Amount is One Million Dollars and Zero Cents (\$1,000,000.00) (the “Maximum Settlement Amount”). The portion of the Maximum Settlement Amount that is available for payment to Class Members who do not timely and validly request exclusion from the settlement (“Participating Class Members”) is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Maximum Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees in the amount of up to \$333,333.33 and reimbursement of litigation costs and expenses in the amount of up to \$25,000.00 to Class Counsel (“Attorneys’ Fees and Costs”); (2) service award to Plaintiffs, Ericka Carroll, Betty Perez and Blaike Wellington each in the amount of \$7,500.00 (“Service Payments”); (3) fees and expenses of administration of the Settlement to the Settlement Administrator is expected not to exceed \$13,806.70 (“Settlement Administration Costs”); and (4) the seventy-five percent (75%) share of PAGA Penalties (“LWDA Payment”) in the amount of \$50,000.00 to the California Labor and Workforce Development Agency (“LWDA”).

Participating Class Members will be entitled to receive payment under the settlement of their share of the Net Settlement Amount (“~~Individual Class~~ Settlement Amount”) based on the numbers of workweeks worked by Class Members as a non-exempt hourly employee for Defendant from February 4, 2016 to May 9, 2021 (“~~Class~~ Workweeks”). Workweeks were calculated based on the start and end dates of each Class Member’s employment during the Class Period.

~~Individual Class~~ Settlement Amounts will be calculated using the following formula: each Participating Class Member’s individual ~~Class~~ Workweeks will be divided by the total aggregate ~~Class~~ Workweeks of all Participating Class Members to derive his or her Payment Ratio Fraction. Each Participating Class Member’s Payment Ratio Fraction will be multiplied by the Net Settlement Amount to determine the ~~Individual Class~~ Settlement Amount.

C. PAGA Settlement Formula

With Court approval, \$12,500 shall be allocated to resolve any claims brought under the PAGA and paid on a pro-rata basis to the PAGA Members. PAGA Members will be entitled to receive payment under the settlement of their share of the Net Settlement Amount allocated to the PAGA claims (“PAGA Settlement Amount”) based on the numbers of workweeks worked by PAGA Members as a non-exempt hourly employee for Defendant from October 23, 2018 through June 9, 2021 (“PAGA Workweeks”). PAGA Workweeks were calculated based on the start and end dates of each Class Member’s employment during the PAGA Period.

PAGA Settlement Amounts will be calculated using the following formula: each PAGA Member’s individual PAGA Workweeks will be divided by the total aggregate PAGA Workweeks of all PAGA Members to derive his or her Payment Ratio Fraction. Each PAGA Member’s Payment Ratio Fraction will be multiplied by the Net Settlement Amount allocated to the PAGA claims to determine the PAGA Settlement Amount.

Each Individual Settlement Amount will be allocated as thirty-three percent (33%) wages (which will be reported on an IRS Form W-2), and sixty-seven percent (67%) penalties and interest (which will be reported on an IRS Form 1099, if applicable). Each Individual Settlement Amount will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Amount, resulting in a net payment to the Settlement Class Member referred to as the “Individual Settlement Payment.”
If the Court grants final approval of the settlement, Individual Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that**

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~~you may be entitled to:~~

B.D. Your Workweeks Based on Defendant's Records

According to Defendant's payroll records, ~~you worked:~~

- ~~[redacted] Class Workweeks during the Class Period,~~
- ~~[redacted] PAGA Workweeks during the PAGA Period.~~

~~From February 4, 2016 to June 9, 2021, you worked [redacted] Workweeks for L.A. Family Housing Corporation.~~

A description of how ~~the w~~workweeks were calculated and credited to Class Members is described above in Section III(B) and (C). ~~A-~~ If you wish to dispute the ~~w~~Workweeks credited to you, you may submit such dispute (a "Workweeks Dispute") in writing to the Settlement Administrator. The written dispute must: (a) contain your full name, address, telephone number, the last four digits of your Social Security Number, and signature; (b) contain the case name and number of the action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) contain a clear statement indicating that you dispute the number of Workweeks credited to you; (d) documentation that supports your belief that you should be credited with a different number of Workweeks; and (e) be mailed to the Settlement Administrator at the address listed in Section IV.B below, postmarked **no later than [Response Deadline]**.

C.E. Your Estimated Individual Settlement Amount

As explained above, your estimated ~~Individual Settlement Payment~~individual settlement payments ~~is are~~ as follows:

- ~~Your Class Settlement Amount is estimated to be \$ [redacted] based on the number of Workweeks credited to you.~~
- ~~Your PAGA Settlement Amount is estimated to be \$ [redacted].~~

~~Your Individual Settlement Amount reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower. Your Individual Settlement Amount is estimated to be \$ [redacted].~~

~~The "Individual Settlement Amount" which is comprised of the PAGA Settlement Amount and the Class Settlement Amount is subject to reduction for employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Amount and will only be distributed if the Court approves the settlement and after the settlement goes into effect.~~

~~The settlement approval process may take multiple months. Your Individual Settlement Amount reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.~~ Each Individual Settlement Amount will be allocated as thirty-three percent (33%) wages (which will be reported on an IRS Form W2), and sixty-seven percent (67%) penalties and interest (which will be reported on an IRS Form 1099, if applicable). Each Individual Settlement Amount will be subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Amount, resulting in a net payment to the Class Member.

~~The settlement approval process may take multiple months. If the Court grants final approval of the settlement, the Settlement Payments will be mailed to Participating Class Members at the address that is on file with the~~

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Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.

D.F. Released Claims

Upon the Effective Date, each of the Participating Class Members (including the Class Representative) will be deemed to have, and by operation of the Judgment will have fully, finally, and forever released, relinquished and discharged Defendant and the Released Parties from any and all Released Claims.

“Released Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action contingent or accrued which arise from the factual allegations and claims set forth in the operative Complaint during the Settlement Class Period as set forth in this Action, including, but not limited to, the failure to pay minimum wage under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to pay overtime wages under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to provide and/or properly pay for rest periods under California Labor Code §§ 226.7, 516, 558, and the applicable IWC Wage Order; failure to provide and/or properly pay for meal periods under California Labor Code §§ 226.7, 512 and the applicable IWC Wage Order; failure to pay wages of terminated or resigned employees and waiting time penalties under California Labor Code §§ 201-203 and the applicable IWC Wage Order; failure to maintain required records under California Labor Code § 226 and the applicable IWC Wage Order; failure to provide accurate wage statements including under California Labor Code § 226 and the applicable IWC Wage Order; failure to indemnify employees for necessary expenditures incurred in discharge of duties under California Labor Code §2802; violations of unfair competition law under California Business and Professions Code §§ 17200-17208; any other claims or penalties under the California Labor Code or other wage and hour laws pleaded in the Action; all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief and claims for restitution; and other equitable relief, liquidated damages, waiting time penalties, ~~penalties of any nature whatsoever~~, or any other benefit claimed on account of the allegations asserted in the Action. The period of the Release shall extend to the limits of the Class Period. The *res judicata* effect of the Judgment will be the same as that of the Release. Defendant shall be entitled to a release of Released Claims which occurred during the Class Period only during such time that the Settlement Class Member was classified as non-exempt, and expressly excluding all other claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, claims while classified as exempt, and claims outside of the Class Period.

“Released Parties” means Defendant L.A. Family Housing Corporation, and their past, present and/or future, direct and/or indirect, owners, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, if any.

E.G. Attorneys’ Fees and Costs to Class Counsels

Class Counsels will seek attorneys’ fees in an amount of up to one-third (1/3) of the Maximum Settlement Amount (i.e., an amount of up to \$333,333.33) and reimbursement of litigation costs and expenses in an amount of up to Twenty-Five Thousand Dollars (\$25,000.00), to be paid from the Maximum Settlement Amount, subject to approval by the Court. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F.H. Service Payment to Plaintiffs

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~~The Named Class Representative Plaintiffs~~ Plaintiffs will apply to the Court for their respective Class Representative Enhancement Payments. Plaintiffs, Ericka Monique, Blaike Wellington and Betty Perez each seek a Class Representative Enhancement Payment of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00). These Service Payment will be paid from the Maximum Settlement Amount subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to her Individual Settlement Payment that they are entitled to under the settlement.

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G.I. Settlement Administration Costs to Settlement Administrator

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Payment to the Settlement Administrator, ILYM Group, Inc., is estimated not to exceed Thirteen Thousand Eight Hundred and Six Dollars and Seventy Cents (\$13,806.70) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the settlement, processing Requests for Exclusion, Workweeks Disputes, and objections, calculating Individual Settlement Payments, and distributing payments and tax forms under the settlement, and shall be paid from the Maximum Settlement Amount subject to approval by the Court.

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IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

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A. Participate in the Settlement

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If you want to receive your Individual Settlement Payment from the settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Payment in the form of a check unless you decide to exclude yourself from the settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Claims against the Released Parties as described in Section III.D above. You will have 120 days to cash the check. If you do not cash the check, the money will be sent to Bet Tzedek Legal Services, but you will still be deemed to have released your claims. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

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B. Request Exclusion from the Settlement

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If you do not wish to participate in the settlement, you may seek exclusion from the settlement by submitting a written request to be excluded from the settlement ("Request for Exclusion") to the Settlement Administrator at the following address:

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ILYM Group, Inc.

14771 Plaza Dr Suite J, Tustin, CA 92780

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A request for exclusion must: (a) contain your full name, address, the last 4 digits of Social Security Number, and signature; (b) contain the case name and number of the Action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) contain a statement indicating that you intend to be excluded from the settlement; and (4) be mailed to the Settlement Administrator at the address listed above, postmarked **no later than [Response Deadline]**.

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If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be entitled to receive any payment from the settlement, will not be bound by the settlement (and the release of Released Claims stated in Section III.D above), and will not have any right to object to, appeal, or comment on the settlement. Any Class Members who do not submit a timely and valid Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the settlement, including those pertaining to the release of Released Claims stated in Section III.D above, as well as any judgment that may be

entered by the Court based thereon.

C. Objecting to the Settlement

You can object to the terms of the settlement as long as you have not submitted a Request for Exclusion.

To object, you must do so by way of a written objection that: (a) contains your full name, dates of employment as a non-exempt or hourly-paid employee of Defendant in California, the last 4 digits of your Social Security Number, and signature; (b) contains the case name and number of the Action (*Ericka Carroll v L.A. Family Housing, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV04474); (c) all legal and factual bases for the objection to the Settlement; (d) whether you intend to appear at the Final Approval Hearing; (e) whether you are represented by legal counsel, and if so, identify the legal counsel and their address; and (f) is mailed to the Settlement Administrator and postmarked **no later than [Response Deadline]**.

~~You will have the option to make an audio or video appearance using LA Court Connect <http://www.lacourt.org/lacelibility/ui/civil.aspx?casetype=ci>. Due to the Los Angeles Superior Court's COVID-19 protocol, you may or may not be able~~ to appear at the Final Approval Hearing in Department 17 of Los Angeles County Superior Court at 312 N. Spring Street., Los Angeles, CA 90012, on **[Final Approval Hearing Date]**, at **[Time]** and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing. All objections submitted in regards to this lawsuit will be provided to the judge at the time of the final approval hearing. If you wish to appear to the Final Approval hearing then you must review ~~the below COVID-19 guidelines under section "VI" and also review~~ and adhere to the Los Angeles Superior Court's Website ~~social distance requirements~~ **requirements** "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 ~~http://www.lacourt.org/pdf/recovery_social_distancing.pdf~~ ~~<http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>~~.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 17 of the Los Angeles County Superior Court located at 312 N. Spring Street., Los Angeles, CA 90012, on **[Final Approval Hearing Date]**, at **[Time]**. This hearing will determine whether the Settlement should be finally approved as fair, reasonable, and adequate and whether the attorneys' fees, costs to Class Counsel, the Service Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator should be awarded.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing. If you wish to appear to the Final Approval hearing then you must review the below COVID-19 guidelines and also review and adhere to the Los Angeles Superior Court's Website "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 ~~<http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>~~.

A. Notice of Final Judgment

Notice of final judgment, once granted by the court, will be posted on the claim administrator's website at the following website address < **[redacted]** >.

~~VI.~~ LOS ANGELES SUPERIOR COURT SOCIAL DISTANCING GUIDELINES DUE TO COVID- 19

According to presiding Judge Kevin C. Brazile, the number of people allowed into the Los Angeles County Courthouses are being limited. Public access to courthouses is restricted to authorized persons only and measures to enforce social distancing in courthouse hallways and courtrooms will be strictly enforced as coronavirus cases

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and hospitalizations surge in Los Angeles County. This means that Under General Order (2020-GEN-25 -00), public access to courthouses is limited at all times to judicial officers, court employees, co-lessees, Judicial Council staff, vendors, jurors, mediators, authorized persons (including news media representatives and news reporters), attorneys, litigants and witnesses with matters on calendar, and individuals with confirmed appointments.

▲ In the interest of enforcing social distancing and to reduce the number of people in courthouses, effective Monday, November 30, members of the public, not otherwise referenced above, who wish to attend a court proceeding may do so upon advance request and at the discretion of the judicial officer presiding over the matter.

▲ Therefore, if you want to appear in person you must first contact and obtain the permission of the courtroom clerk for Dept. 17 of the Spring Street Courthouse: (213) 310-7017. Before contacting the courtroom clerk of Department 17 you must first review the Los Angeles Superior Court's Website "HERE FOR YOU | SAFE FOR YOU" guidelines for updated information related to COVID-19 < < <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>. > >

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

▲ You may view the Settlement Agreement and other court records in the Action at the Los Angeles Superior Court, located at 111 N. Hill Street, Los Angeles, CA 90012, during business hours Or by visiting the court website at < <http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil> > and typing in the case number.

▲ **PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.**

▲ **IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR ILYM GROUP AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**

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EXHIBIT 2

1 **DAVID YEREMIAN & ASSOCIATES, INC.**

2 David Yeremian (SBN 226337)

3 David@yeremianlaw.com

4 Roman Shkodnik (SBN 285152)

5 Roman@yeremianlaw.com

6 535 N. Brand Blvd., Suite 705

7 Glendale, California 91203

8 Telephone: (818) 230-8380

9 Facsimile: (818) 230-0308

10 Attorneys for Plaintiff, ERICKA MONIQUE CARROLL,
11 on behalf of herself and all others similarly situated

12 **LEWIS BRISBOIS BISGAARD & SMITH LLP**

13 JOHN L. BARBER, SB# 160317

14 E-Mail: John.Barber@lewisbrisbois.com

15 KATHERINE C. DEN BLEYKER, SB# 257187

16 E-Mail: Katherine.DenBleyker@lewisbrisbois.com

17 CHRISTOPHER W. HARMON SB# 258289

18 E-Mail: Christopher.Harmon@lewisbrisbois.com

19 ARMINE ANTONYAN, SB# 327220

20 E-Mail: Armine.Antonyan@lewisbrisbois.com

21 633 West 5th Street, Suite 4000

22 Los Angeles, California 90071

23 Telephone: 213.250.1800

24 Facsimile: 213.250.7900

25 Attorneys for Defendant, L.A. FAMILY HOUSING CORPORATION
26 (erroneously named as L.A. FAMILY HOUSING LLC)

27 *Additional Counsel Listed On Next Page*

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

1 ERICKA MONIQUE CARROLL, an
2 individual, on behalf of herself and others
3 similarly situated,

4 Plaintiff,

5 vs.

6 L.A. FAMILY HOUSING LLC, a California
7 limited liability company; L.A. FAMILY
8 HOUSING CORPORATION, a Business entity
9 of unknown origin; and DOES 1 through 50,
10 inclusive,

11 Defendants.

Case No.: 20STCV04474

Complaint Filed: February 4, 2020

First Amended: July 17, 2020

Trial Date: None Set

CLASS ACTION

[Assigned for All Purposes To Hon. Maren
Nelson, Dept. SS17]

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT**

DAVTYAN LAW FIRM

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Attorneys for Plaintiff, BETTY PEREZ,
on behalf of herself and all others similarly situated

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Attorneys for Plaintiff, BLAIKE WELLINGTON,
on behalf of herself and all others similarly situated

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1 **TO THE HONORABLE COURT:**

2 This Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiffs, Ericka Carroll, Blaike
4 Wellington, and Betty Perez (“Plaintiffs” or “Class Representatives”), on behalf of themselves and
5 all others similarly situated, and Defendant, L.A. Family Housing Corporation, a California
6 domestic nonprofit (“Defendant”) (collectively Defendant and Plaintiffs will be collectively
7 referred to as the “Parties”) as set forth below:

8 **CONDITIONAL NATURE OF THIS STIPULATION**

9 This Stipulation and Agreement to Settle Class Action, including all associated exhibits or
10 attachments (herein “Stipulation”), is made for the sole purpose of resolving the above-captioned
11 matter (the “Litigation”) on a class-wide basis. This Stipulation and the settlement it evidences is
12 made in compromise of disputed claims. Because the Litigation was filed as a class action, this
13 settlement must receive preliminary and final approval from the Court. Accordingly, Defendant
14 and the Class Representatives enter into this Stipulation and associated settlement on a conditional
15 basis. In the event that the Court does not execute and file the Order Granting Final Approval of
16 Settlement, or in the event that the Court does not enter the Judgment (as defined below), or in the
17 event that the associated Judgment does not become Final (as defined below) for any reason, this
18 Stipulation shall be deemed null and void, it shall be of no force or effect whatsoever, it shall not
19 be referred to or used for any purpose whatsoever, and the negotiation, terms and entry of it shall
20 remain subject to the provisions of California Evidence Code §§ 1119 and 1152.

21 Defendant denies all of the claims as to liability, damages and restitution as well as the
22 class allegations asserted in the Litigation. Defendant has agreed to resolve this Litigation via this
23 Stipulation, but to the extent this Stipulation is deemed void or does not take effect, Defendant
24 does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations
25 in the Litigation upon all procedural and factual grounds, including without limitation the ability
26 to challenge class treatment on any grounds or to assert any and all defenses or privileges. The
27 Class Representatives and their counsel agree that Defendant retains and reserves these rights. In
28

1 particular, the Class Representatives and their counsel waive and agree not to argue or to present
2 any argument that Defendant would be estopped from contesting class certification because they
3 have entered into this Stipulation. In addition, the settling Parties recognize and agree that under
4 California law, which is applicable here, courts impose a lesser burden for certification for
5 settlement classes than they do for contested classes. The Parties agree that the Stipulation of
6 Settlement of Class Action and Release of Claims entered into on or about May of 2021, is void and
7 superseded by this Settlement Agreement.

8 **DEFINITIONS**

9 As used in all parts of this Stipulation (including the exhibits which are incorporated as part
10 of the Stipulation), the following terms have the meanings specified below:

11 1. “Action” collectively refers to all causes of actions, claims, and allegations in the
12 Operative Complaints filed in the following matters: (i) *Ericka Monique Carroll v L.A. Family*
13 *Housing, LLC, et al.*, Los Angeles Superior Court Case No. 20STCV04474; (ii) *Blaike Wellington v*
14 *L.A Family Housing, LLC, et al.*, Los Angeles Superior Court Case No. 20STCV07797; and (iii)
15 *Betty Perez v. L.A. Family Housing Corporation, et al.*, Los Angeles Superior Court Case No.
16 20STCV41617.

17 2. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the Court
18 for Class Counsels’ litigation and resolution of this Action.

19 3. “Class Counsels” means the attorneys of record for the Class Representatives and
20 Class Members, *i.e.*, David Yeremian and Roman Shkodnik of David Yeremian & Associates, Inc.;
21 Emil Davtyan of Davtyan Law Firm, Ronald L. Zambrano of West Coast Employment Lawyers,
22 APLC, and Kashif Haque and Jessica L. Campbell of AEGIS Law Firm, PC.

23 4. “Class List” means a complete list of all Class Members that Defendant will
24 diligently and in good faith compile from its records and provide to the Settlement Administrator
25 within twenty (20) business days after Preliminary Approval of this Settlement. The Class List will
26 be formatted in Microsoft Office Excel and will include the following information from
27 Defendant’s records: each Class Member’s full name; last-known mailing address; Social Security
28 number; and dates of employment as a non-exempt employee in California during the Class Period.

1 5. “Class Member(s)” or “Settlement Class” means all current and former non-exempt
2 employees of Defendant who worked in California during the Class Period (or if any such person is
3 incompetent, deceased, or unavailable due to military service, the person’s legal representative or
4 successor in interest evidenced by reasonable verification). “Class Members” shall not include any
5 person who submits a timely and valid request for exclusion.

6 6. “Class Period” means the period from February 4, 2016 through June 9, 2021.

7 7. “Class Representatives Enhancement Payments” means the amount approved by the
8 Court to be paid to Plaintiffs in recognition of their contributions to the Action on behalf of Class
9 Members and Aggrieved Employees.

10 8. “Court” means the Superior Court of California, County of Los Angeles.

11 9. “Defendant” means L.A. Family Housing Corporation, a California Domestic
12 Nonprofit.

13 10. “Effective Date” means: (a) the date of entry of the Court’s order granting final
14 approval of the Settlement Agreement and Judgment, if no objections have been filed or if an
15 objection was filed and later withdrawn; or (b) if an objection to the Settlement Agreement is filed,
16 then the date when the time expires to file an appeal of the Court’s grant of Final Approval of the
17 Settlement Agreement; or (c) if an objection is filed, as well as a timely Notice of Appeal of the
18 Court’s grant of Final Approval of the Settlement Agreement, then the date the appeal is finally
19 resolved, with the final approval unaffected.

20 11. “Individual Settlement Payment” means each Class Member’s share of the Net
21 Settlement Amount.

22 11.12. “Individual PAGA Settlement Payment” means each PAGA Member’s gross share
23 of the Net PAGA Settlement Amount (before deduction for the standard employee’s share of payroll
24 taxes) and is calculated by dividing the Net PAGA Settlement Amount by the Total PAGA Member
25 Workweeks and then multiplying that amount by the number of weeks worked by each PAGA
26 Member during the PAGA Period. All Class Members who are also PAGA Members will receive an
27 “Individual PAGA Settlement Payment” for their respective share of the 25% portion of the PAGA
28 Payment, which will be included as part of their Individual Settlement Payment.

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1 12.13. “Gross Fund Value” is the amount of One Million Dollars and Zero Cents
2 (\$1,000,000.00), which is the maximum amount to be paid by Defendant pursuant to this Settlement
3 Agreement. Defendant estimates that there are approximately Six Hundred and Seventy (670) Class
4 Members and (—497) PAGA Members. If, the number of Class Members increases by more than
5 ten percent (10%) of the amount stated then the Net Settlement Fund shall increase by an equal
6 percentage. The Gross Fund Value includes all Individual Settlement Payments to Class Members,
7 the Class Representatives Enhancement Payments to Plaintiffs, Attorneys’ Fees and Costs to Class
8 Counsel, the Settlement Administration Costs to the Settlement Administrator and the PAGA
9 Payment as specified in this Agreement. Defendant shall pay the employer’s share of payroll taxes
10 due on the portion of Settlement Payments allocated to wages separately and in addition to the
11 Gross Fund Value. The Parties agree that Defendant will have no obligation to pay any amount in
12 connection with this Settlement Agreement apart from the Gross Fund Value and the employer’s
13 share of payroll taxes due on the portion of Settlement Payments allocated to wages, and that none
14 of the Gross Fund Value will revert to Defendant.

15 13.14. “Net Settlement Amount” means the Gross Fund Value, less the Class
16 Representatives Enhancement Payments, Attorneys’ Fees and Costs, and Settlement Administration
17 Costs, and seventy-five percent (75%) of the PAGA Payment as specified in this Agreement.

18 14.15. “Objection” means any written objection to this Settlement sent by a Class Member
19 to the Settlement Administrator as specified herein and in the Notice of Settlement. An Objection
20 to Settlement must be sent to the Settlement Administrator within the time limitations set forth in
21 this Stipulation.

22 15.16. “Notice of Class Action Settlement” means the notice of settlement, attached as
23 Exhibit A, to be mailed to all members of the Settlement Class upon Preliminary Approval.

24 17. “PAGA” means the California Labor Code Private Attorneys General Act of 2004.

25 16.18. “PAGA Members” or “PAGA Group” means “all current and former non-exempt
26 employees who worked for Defendant in California from October 23, 2018May 25, 2019 through
27 June 9, 2021 (“PAGA Period”).”
28

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1 17,19. “PAGA Payment” means the payment made hereunder to the California Labor and
2 Workforce Development Agency and the Settlement Class Members for settlement of claims for
3 civil penalties under PAGA.

4 18,20. “Parties” means Plaintiffs and Defendant collectively.

5 19,21. “Plaintiffs” means Ericka Monique Carroll, Blaike Wellington, and Betty Perez.

6 20,22. “Preliminary Approval” means the Court order granting preliminary approval of the
7 Settlement Agreement.

8 21,23. “Released Claims” means any and all claims, debts, liabilities, demands,
9 obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action
10 contingent or accrued which arise from the factual allegations and claims set forth in the operative
11 Complaint during the Settlement Class Period as set forth in this Action, including, but not limited
12 to, the failure to pay minimum wage under California Labor Code §§ 510, 1194, 1198 and the
13 applicable IWC Wage Order; failure to pay overtime wages under California Labor Code §§ 510,
14 1194, 1198 and the applicable IWC Wage Order; failure to provide and/or properly pay for rest
15 periods under California Labor Code §§ 226.7, 516, 558, and the applicable IWC Wage Order;
16 failure to provide and/or properly pay for meal periods under California Labor Code §§ 226.7, 512
17 and the applicable IWC Wage Order; failure to pay wages of terminated or resigned employees and
18 waiting time penalties under California Labor Code §§ 201-203 and the applicable IWC Wage
19 Order; failure to maintain required records under California Labor Code § 226 and the applicable
20 IWC Wage Order; failure to provide accurate wage statements including under California Labor
21 Code § 226 and the applicable IWC Wage Order; failure to indemnify employees for necessary
22 expenditures incurred in discharge of duties under California Labor Code §2802; violations of
23 unfair competition law under California Business and Professions Code §§ 17200-17208; any other
24 claims or penalties under the California Labor Code or other wage and hour laws pleaded in the
25 Action; all damages, penalties, interest and other amounts recoverable under said claims, causes of
26 action or legal theories of relief and claims for restitution; and other equitable relief, liquidated
27 damages, waiting time penalties, ~~penalties of any nature whatsoever,~~ or any other benefit claimed
28 on account of the allegations asserted in the Action. The Released Claims do not extend to any

1 claims not alleged in the operative Complaints and specifically excludes claims for workers'
2 compensation, personal injuries, unemployment insurance, state disability compensation, claims
3 under the Employment Retirement Income Security Act of 1974, previously vested benefits under
4 any Employer-sponsored benefits plan, wrongful termination, discrimination, retaliation, and
5 harassment including but not limited to those arising under the Age Discrimination In Employment
6 Act, the California Fair Employment and Housing Act, Title VII of the Federal Civil Rights Act of
7 1964, and/or Federal Civil Rights Act of 1991, or any similar state or federal laws, the California
8 Family Rights Act, the Federal Family Medical Leave Act, the California Pregnancy Leave Law, or
9 similar state or federal laws, the Federal Equal Pay Act of 1963, violations of the Americans with
10 Disabilities Act of 1990 or violations of any other state or federal law, rule or regulation concerning
11 discrimination, retaliation and/or harassment. The period of the Release shall extend to the limits of
12 the Class Period. The *res judicata* effect of the Judgment will be the same as that of the Release.
13 Defendant shall be entitled to a release of Released Claims which occurred during the Class Period
14 only during such time that the Settlement Class Member was classified as non-exempt, and
15 expressly excluding all other claims for vested benefits, wrongful termination, unemployment
16 insurance, disability, social security, workers' compensation, claims while classified as exempt, and
17 claims outside of the Class Period.

18 22,24. "Released Parties" means Defendant, and their past, present and/or future, direct
19 and/or indirect, owners, officers, directors, members, managers, employees, agents, representatives,
20 attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries,
21 affiliates, divisions, predecessors, successors, assigns, and joint venturers, if any.

22 23,25. "Request for Exclusion" means a timely written request by a Class Member to be
23 excluded from the Settlement. The Request for Exclusion must: (i) set forth the name, address,
24 telephone number and last four digits of the Social Security Number of the Class Member
25 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
26 Administrator; (iv) clearly state that the Class Member does not wish to be included in the
27 Settlement; and (v) be postmarked on or before the Response Deadline.

1 24,26. “Response Deadline” means the deadline by which Class Members must postmark
2 the Settlement Administrator Requests for Exclusion or Objection to the Settlement. The Response
3 Deadline will be sixty (60) calendar days from the initial mailing of the Notice of Class Action
4 Settlement by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal
5 holiday, in which case the Response Deadline will be extended to the next day on which the U.S.
6 Postal Service is open.

7 25,27. “Settlement Administrator” means ILYM Group, Inc., or any other third-party class
8 action settlement administrator approved by the Parties and the Court for the purposes of
9 administering this Settlement. The Parties each represent that they have no financial interest in the
10 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
11 could create a conflict of interest.

12 26,28. “Settlement Administration Costs” includes all costs payable to the Settlement
13 Administrator for administering this Settlement, including, but not limited to, printing, distributing,
14 and tracking notice and other documents for this Settlement, tax reporting, distributing all payments
15 to be made pursuant to this Settlement, and providing necessary reports and declarations, as
16 requested by the Parties. After conference and consultation with the Settlement Administrator,
17 \$13,806.70 will be allocated to Settlement Administration as a “not to exceed” cost.

18 27,29. “Pay Periods” means the number of calendar pay periods that the Class Member
19 worked as a non-exempt employee in California during the Class Period.

20 28,30. “Workweek Value” means the value of each compensable Workweek, as determined
21 by the formula set forth in herein.

22 31. “Workweek” means a week in which a Class Member worked a shift for Defendant.

23 “PAGA Workweek Dollar Value” means the Net PAGA Settlement Amount
24 (\$12,500), divided by the Total PAGA Member Workweeks (approximately 31,828.29XXX). The
25 Workweek Dollar Value is estimated to be \$XX0.39 (\$12,500 ÷ 31,828.29XX = \$XX0.39).

26 29,32.

27 **TERMS OF AGREEMENT**

28 Plaintiff, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

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1 ~~30.33.~~ Funding of the Gross Fund Value. No later than within sixty (60) business days after
2 the Effective Date, Defendant will deposit One Million Dollars and Zero Cents (\$1,000,000.00) into
3 a Qualified Settlement Fund administered by the Settlement Administrator. The Gross Fund Value
4 will be used to pay: (i) Individual Settlement Amounts; (ii) the Class Representatives Enhancement
5 Payments; (iii) Attorneys' Fees, Costs, and any other expenses; (iv) the PAGA Payment and (v)
6 Settlement Administration Costs.

7 ~~31.34.~~ Attorneys' Fees and Costs. Class Counsels will seek an award of Attorneys' Fees
8 and Costs of not more than one-third or Three Hundred and Thirty-Three Thousand and Three
9 Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$333,333.33) in attorney's fees and not
10 more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) in costs, and Defendant
11 agrees not to oppose such application. All Attorneys' Fees and Costs will be paid from the Gross
12 Fund Value. Plaintiffs and Class Counsels will not have the right to revoke this Settlement in the
13 event the Court fails to approve the amount of Attorneys' Fees and Costs sought by Class Counsels.
14 Any portion of the Attorneys' Fees and Costs not awarded to Class Counsels will be added to the
15 Net Settlement Amount.

16 ~~32.35.~~ Class Representative Enhancement Payment. Plaintiffs will apply to the Court for
17 their respective Class Representative Enhancement Payments. Plaintiffs seek a Class Representative
18 Enhancement Payment of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) for
19 each individual plaintiff. These amounts are to award each of them for their effort and work in
20 prosecuting the Actions on behalf of Class Members and Aggrieved Employees and Defendant
21 agrees not to oppose such application. This amount will be considered non-wage damages and will
22 be reported on an IRS Form 1099. The Class Representative Enhancement Payments, which will be
23 paid from the Maximum Settlement Amount, will be in addition to Plaintiffs' right to an Individual
24 Settlement Payment pursuant to the Settlement. Plaintiffs will be solely and legally responsible to
25 pay any and all applicable taxes on the payments made pursuant to this paragraph and will hold
26 Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of
27 the payments. Plaintiffs will not have the right to revoke this Settlement in the event the Court fails
28 to approve the amount sought by Plaintiffs as Class Representative Enhancement Payments. Any

1 portion of the Class Representative Enhancement Payments not awarded to the Class
2 Representatives will be added to the Net Settlement Amount.

3 33.36. Settlement Administration Costs. The Settlement Administrator will be paid for the
4 reasonable costs of administration of the Settlement and distribution of payments. These costs,
5 which will be paid from the Maximum Settlement Amount, will include, *inter alia*, the required tax
6 reporting on the Individual Settlement Payments, the issuing of 1099 IRS Forms, preparing and
7 distributing Notices of Class Action Settlement, calculating and distributing all payments to be
8 made pursuant to the Settlement, and providing necessary reports and declarations. Class Counsels
9 obtained a “not to exceed” quote from the Settlement Administrator to complete the administration
10 for \$13,806.70. The Settlement Administrator’s “not to exceed” quote will represent the Settlement
11 Administrator’s agreement that, based on the class size and distributions under the terms of this
12 Settlement, the costs for administration of the terms of this Settlement will not exceed the specified
13 amount. All of the Settlement Administration Costs shall be paid from the Maximum Settlement
14 Amount upon completion of all duties required to be performed by the Settlement Administrator
15 under the terms of this Settlement, or as otherwise required by the Court, subject to the “not to
16 exceed” quote from the Settlement Administrator. The Settlement Administrator will establish the
17 Qualified Settlement Fund Account.

18 34.37. PAGA Payment. Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be
19 allocated from the Maximum Settlement Fund for settlement of claims for civil penalties under
20 PAGA. The Settlement Administrator shall pay seventy-five percent (75%), or \$37,500.00, to the
21 LWDA and twenty-five percent (25%) or \$12,500.00, will be included in the Net Settlement
22 Amount and distributed to Settlement Class Members as described in this Agreement. Each
23 Settlement Class Member’s pro rata share of that \$12,500.00 will be part of his or her Individual
24 Settlement Payment.

25 35.38. Individual Settlement Payment Calculations. Individual Settlement Payments will
26 be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks
27 a Class Member worked during the Class Period as a non-exempt employee in California. Specific
28 calculations of Individual Settlement Payments will be made as follows:

1 34(a). The Settlement Administrator will calculate the total number of Workweeks
2 worked by each Class Member as a non-exempt employee in California during the Class Period and
3 the aggregate total number of Workweeks worked by all Class Members as non-exempt employees
4 in California during the Class Period.

5 34(b). To determine each Class Member's estimated "Individual Settlement
6 Payment," the Settlement Administrator will use the following formula: The Net Settlement
7 Amount will be divided by the aggregate total number of Workweeks, resulting in the Workweek
8 Value. Each Class Member's "Individual Settlement Payment" will be calculated by multiplying
9 each individual Class Member's total number of Workweeks by the Workweek Value.

10 34(c). The entire Net Settlement Amount will be disbursed as Individual Settlement
11 Payments to Class Members. If there are any valid and timely Requests for Exclusion from
12 members of the Settlement Class, the Settlement Administrator shall proportionately increase the
13 Individual Settlement Payment for each Class Member according to the number of Workweeks
14 worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net
15 Settlement Amount.

16 ~~36.39.~~ No Credit Toward Benefit Plans. The Individual Settlement Payments made to Class
17 Members under this Settlement, as well as any other payments made pursuant to this Settlement,
18 will not be utilized to calculate any additional benefits under any benefit plans to which any Class
19 Members may be eligible, including, but not limited to: (i) profit-sharing plans, (ii) bonus plans,
20 (iii) 401(k) plans, (iv) stock purchase plans, (v) vacation plans, (vi) sick leave plans, (vii) PTO
21 plans, and (viii) any other benefit plan. Rather, it is the Parties' intention that this Settlement
22 Agreement will not affect any rights, contributions, or amounts to which any Class Members may
23 be entitled under any benefit plans.

24 ~~37.40.~~ Settlement Administration Process. The Parties agree to cooperate in the
25 administration of the settlement and to make all reasonable efforts to control and minimize the costs
26 and expenses incurred in administration of the Settlement.

1 38-41. Delivery of the Class List. Within twenty (20) business days of entry of the Court's
2 Order Granting Preliminary Approval, Defendant will provide the Class List to the Settlement
3 Administrator.

4 39-42. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the
5 Class List from Defendant, the Settlement Administrator will mail a Notice of Class Action
6 Settlement to all Class Members via regular First-Class U.S. Mail, using the most current, known
7 mailing addresses identified in the Class List.

8 40-43. Confirmation of Contact Information in the Class List and Undeliverable Notices.
9 Prior to mailing, the Settlement Administrator will perform a search based on the National Change
10 of Address Database for information to update and correct for any known or identifiable address
11 changes. Any Notices of Class Action Settlement returned to the Settlement Administrator as non-
12 deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
13 Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the
14 date of such re-mailing on the Notice of Class Action Settlement. If no forwarding address is
15 provided, the Settlement Administrator will promptly attempt to determine the correct address using
16 an Accurant search/skip-trace, and will then perform a single re-mailing.

17 41-44. Notices of Class Action Settlement. All Class Members will be mailed a Notice of
18 Class Action Settlement in both English and Spanish in the form attached as Exhibit A¹, or as
19 provided by Court order.

20 42-45. Disputed Information on Notices of Class Action Settlement. Class Members will
21 have an opportunity to dispute the information provided in their Notices of Class Action Settlement.
22 To the extent Class Members dispute their employment dates or the number of Workweeks as set
23 forth on the Notice, Class Members may produce evidence to the Settlement Administrator showing
24 that such information is inaccurate. The Settlement Administrator will advise the Parties of such
25 dispute, allow Defendant five (5) business days to respond with any additional information or
26

27 ¹ Only the English version of the Class Notice is being attached to the Stipulation of Class Action
28 Settlement. Once the above entitled case receives Preliminary Approval then the Claim Administrator, ILYM Group,
will translate the Class Notice also into Spanish.

1 records, and then decide the dispute. Defendant's records will be presumed correct, but the
2 Settlement Administrator will evaluate the evidence submitted by the Class Member and Defendant
3 and will make the final decision as to the merits of the dispute.

4 ~~43-46.~~ Requests for Exclusion. Any Class Member wishing to opt-out from the Settlement
5 Agreement must sign and postmark a written Request for Exclusion to the Settlement Administrator
6 within the Response Deadline. The postmark date will be the exclusive means to determine whether
7 a Request for Exclusion has been timely submitted. The Parties and their counsel will not solicit or
8 encourage any Class Member, directly or indirectly, to opt out of the Settlement Agreement. More
9 specifically, a Class Member may request to be excluded from the effect of this Agreement, and any
10 payment of amounts under this Agreement by timely mailing a Request for Exclusion letter to the
11 Settlement Administrator stating that the Class Member wants to be excluded from this Action.
12 This letter must include the Class Member's name, address, telephone number, and signature. To be
13 valid and timely, the request to be excluded must be postmarked by the Response Deadline date that
14 will be specified in the Class Notice (no less than sixty (60) days from the initial mailing of the
15 Class Notice by the Settlement Administrator). However, if a Notice of Class Action Settlement
16 needs to be re-mailed then that individual Class Member will be provided sixty (60) additional days
17 to object or request exclusion from the settlement based on the date of the new mailing. A Class
18 Member who properly submits a valid and timely request to be excluded from the Action will not
19 receive any payment of any kind in connection with this Agreement or this Action, will not be
20 bound by or receive any benefit of this Agreement, and will have no standing to object to the
21 Settlement. However, any such exclusion shall not apply to those Class Members who may be
22 eligible to receive a settlement payment under the PAGA settlement herein. Class Members who
23 do not timely request exclusion will be bound by the releases herein and receive an individual
24 settlement payment ("Participating Class Members"). A request for exclusion must be mailed to the
25 Settlement Administrator at its address to be provided in the Class Notice, and the Settlement
26 Administrator will promptly transmit the requests for exclusion to counsel for the parties.

27 ~~44-47.~~ Defective Submissions. If a Class Member's Request for Exclusion is defective as
28 to the requirements listed herein, that Class Member will be given an opportunity to cure the

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1 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
2 business days of receiving the defective submission to advise the Class Member that his or her
3 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
4 The Class Member will have until the later of (i) the Response Deadline or (ii) fifteen (15) calendar
5 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
6 Exclusion. If the revised Request for Exclusion is not postmarked and mailed within that period, it
7 will be deemed untimely.

8 45-48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
9 Member who does not affirmatively opt out of the Settlement Agreement by submitting a timely
10 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the
11 Released Claims, as well as any Judgment that may be entered by the Court if it grants final
12 approval of the Settlement.

13 46-49. Objection Procedures. The Notice shall state that Settlement Class Members who
14 wish to object to the Settlement may do so by a written statement of objection (“Notice of
15 Objection”) to be mailed by the Response Deadline to the Settlement Administrator or by appearing
16 at the hearing for Final Approval. The Objection must be signed by the Class Member and contain
17 all information required by this Settlement Agreement. The postmark date of the filing and service
18 will be deemed the exclusive means for determining that the Objection is timely. The Notice of
19 Objection must state: (1) the case name and number; (2) the name of the Settlement Class Member;
20 (3) the address of the Settlement Class Member; (4) the last four digits of the Settlement Class
21 Member’s Social Security number; (4) the basis for the objection; and (5) if the Settlement Class
22 Member intends to appear at the Final Approval/Settlement Fairness Hearing. The Settlement
23 Administrator will promptly provide any Notices of Objection to the parties’ counsel upon
24 receiving them. Class Counsels will include all objections received and Plaintiffs’ response(s) with
25 Plaintiffs’ motion for final approval of the Settlement. Settlement Class Members may also have a
26 right to have their objections heard at the Final Approval/Settlement Fairness Hearing. ~~Class~~
27 ~~Counsels will not represent any Class Members with respect to any such Objections to this~~
28

1 ~~Settlement, and~~ Any Class Members who request exclusion from the Settlement will have no
2 standing to object to it.

3 47.50. Settlement Administrator Reports. The Settlement Administrator will provide
4 Defendant's counsel and Class Counsels a weekly report of the number of Class Members who
5 have submitted valid Requests for Exclusion, Objections, and disputes regarding Pay Periods
6 calculations. Additionally, the Settlement Administrator will provide to counsel for both Parties any
7 updated reports regarding the administration of the Settlement Agreement as needed or requested.

8 48.51. Distribution and Timing of Payments. Within sixty-five (65) calendar days of the
9 Effective Date, and after Defendant has fully funded the Qualified Settlement Fund with the
10 Maximum Settlement Amount, the Settlement Administrator will issue payments to: (i) all Class
11 Members who have not submitted a valid and timely Request for Exclusion, including any Class
12 Member whose notice was returned as undeliverable; (ii) Plaintiff; (iii) Class Counsel; and (iv) the
13 LWDA. The Settlement Administrator will also issue a payment to itself for Court-approved
14 services performed in connection with the Settlement. The Settlement Administrator will pay
15 Individual Settlement Payments from the Net Settlement Amount to all Participating Class
16 Members. The Settlement Administrator will do so by sending a check in the appropriate amount to
17 the Class Member at the address indicated in the list of Class Member names and addresses
18 provided by Defendant, or as subsequently determined by the Settlement Administrator to be
19 correct.

20 49.52. Un-Cashed Settlement Checks. Class Members will receive checks for their
21 Individual Settlement Payments. Checks will remain negotiable for one hundred twenty (120) days
22 ("Check-Cashing Deadline"). Any checks not cashed within one hundred twenty (120) calendar
23 days will be voided. -The funds from the uncashed checks shall be distributed by the Settlement
24 Administrator, in accordance with California Code of Civil Procedure section 384. Any amounts
25 from settlement checks that remain uncashed and otherwise unclaimed shall be distributed to a
26 court approved *cy pres* beneficiary. Subject to Court approval, the Parties appoint Bet Tzedek Legal
27 Services, a section 501(c)(3) corporation, as the designated *cy pres* beneficiary. No later than ten
28 (10) calendar days after the expiration of the one hundred twenty (120) day period, the Settlement

1 Administrator shall pay the amounts contained in the settlement checks that were not cashed within
2 one hundred twenty (120) calendar days, and all interest that has accrued, to the *cy pres* beneficiary.
3 The Settlement Administrator shall provide a declaration of payment to the *cy pres* beneficiary,
4 which will be served on Class Counsels and Defendant’s Counsel within ten (10) calendar days of
5 payment of the residual to such beneficiary. Any costs associated with administering the remaining
6 funds under this section (e.g., bank stop-payment charges, settlement administration costs
7 associated with any reserve amount) or payments to the *cy pres* beneficiary will be deducted before
8 donation of any *cy pres* funds.

9 50-53. Certification of Completion. Upon completion of administration of the Settlement,
10 the Settlement Administrator will provide a written declaration under oath to certify such
11 completion to the Court and counsel for all Parties.

12 51-54. Allocation of Individual Settlement Payments. All Individual Settlement Payments
13 will be allocated as follows: (a) 33% as wages and (b) 67% as penalties and interests. The
14 Settlement Administrator will be responsible for issuing to each claimant a form W-2 for amounts
15 deemed “wages” and an IRS Form 1099 for the portions allocated to penalties.

16 52-55. Administration of Taxes by the Settlement Administrator. The Settlement
17 Administrator will be responsible for issuing to Plaintiffs, Class Members, and Class Counsels tax
18 forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement
19 Administrator will also be responsible for forwarding all taxes and penalties to the appropriate
20 government authorities as may be required by law.

21 53-56. Tax Liability. Defendant makes no representation as to the tax treatment or legal
22 effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying on
23 any statement, representation, or calculation by Defendant or by the Settlement Administrator in
24 this regard. Plaintiffs and Class Members understand and agree that they will be solely responsible
25 for the payment of any taxes and penalties assessed on the payments described herein and will
26 defend, indemnify, and hold Defendant free and harmless from and against any claims resulting
27 from treatment of such payments as non-taxable damages.

1 54.57. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO
3 THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
4 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
5 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
6 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
7 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE
8 CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
9 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
10 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON
11 HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
12 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT
13 ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
14 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS
15 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
16 ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
17 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
18 ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
19 THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISOR’S TAX STRATEGIES
20 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
21 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
22 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
23 CONTEMPLATED BY THIS AGREEMENT.

24 55.58. No Prior Assignments. The Parties and their counsel represent, covenant, and
25 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
26 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
27 action, cause of action or right herein released and discharged.
28

1 56.59. Nullification of Settlement Agreement. In the event that: (i) the Court does not
2 finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for
3 any other reason, then this Settlement Agreement, and any documents generated to bring it into
4 effect, will be null and void. Any order or judgment entered by the Court in furtherance of this
5 Settlement Agreement will likewise be treated as void from the beginning.

6 57.60. Preliminary Approval Hearing. Plaintiffs will obtain a date for hearing before the
7 Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a
8 Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement
9 purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date
10 for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for
11 the Notice of Class Action Settlement to be sent to all Class Members as specified herein. In
12 conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement
13 Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of
14 Class Action Settlement.

15 58.61. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
16 deadlines to postmark Requests for Exclusion and/or Objections to the Settlement Agreement, and
17 with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
18 determine the Final Approval of the Settlement Agreement along with the amounts properly payable
19 for (i) Individual Settlement Payments; (ii) the Class Representatives Enhancement Payments; (iii)
20 Attorneys' Fees and Costs; and (iv) all Settlement Administration Costs. The Final
21 Approval/Settlement Fairness Hearing will be held no earlier than thirty calendar (30) days after the
22 Response Deadline. Class Counsels will be responsible for drafting all documents necessary to
23 obtain final approval. Class Counsels will also be responsible for drafting the attorneys' fees and
24 costs application to be heard at the final approval hearing.

25 59.62. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
26 Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment
27 to the Court for its approval. After entry of the Judgment, the Court will have continuing
28 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of

1 the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may
2 be appropriate under court rules or as set forth in this Settlement Agreement.

3 ~~60-63.~~ General Release by Plaintiffs. In consideration for the consideration set forth in this
4 Agreement, Plaintiffs, for themselves, their heirs, successors and assigns, does waive, release,
5 acquit and forever discharge the Released Parties, from any and all claims, actions, charges,
6 complaints, grievances and causes of action, of whatever nature, whether known or unknown,
7 which exist or may exist on Plaintiffs' behalf as of the date of this Agreement, including but not
8 limited to any and all tort claims, contract claims, wage claims, wrongful termination claims,
9 disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal
10 injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud
11 claims, quantum meruit claims, and any and all claims arising under any federal, state or other
12 governmental statute, law, regulation or ordinance, including any claims arising under the
13 California Fair Employment and Housing Act (FEHA), the California Labor Code, the Wage Orders
14 of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with
15 Disabilities Act, the Age Discrimination in Employment Act (ADEA), the Employee Retirement
16 Income Security Act, Title VII of the Civil Rights Act of 1964, the California Fair Employment and
17 Housing Act, the California Family Rights Act, the Family Medical Leave Act, California's
18 Whistleblower Protection Act, California Business & Professions Code Section 17200 et seq., and
19 any and all claims arising under any federal, state or other governmental statute, law, regulation or
20 ordinance. Plaintiffs hereby expressly waive and relinquish any and all claims, rights or benefits
21 that they may have under California Civil Code § 1542, which provides as follows:

22 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
23 **WHICH THE CREDITOR OR RELEASING PARTY DOES**
24 **NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
25 **FAVOR AT THE TIME OF EXECUTING THE RELEASE**
26 **WHICH IF KNOWN BY HIM OR HER WOULD HAVE**
MATERIALLY AFFECTED HIS OR HER SETTLEMENT
WITH THE DEBTOR OR RELEASED PARTY.

27 Plaintiffs may hereafter discover claims or facts in addition to, or different from, those
28 which they now know or believe to exist, but they expressly agree to fully, finally and forever settle

1 and release any and all claims against the Released Parties, known or unknown, suspected or
2 unsuspected, which exist or may exist against Released Parties at the time of execution of this
3 Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiffs'
4 employment with Defendant. The Parties further acknowledge, understand and agree that this
5 representation and commitment is essential to the Agreement and that this Agreement would not
6 have been entered into were it not for this representation and commitment.

7 64. Release by All Settlement Class Members. Plaintiffs and all Class Members who do
8 not submit a valid and timely Request for Exclusion, on behalf of himself or herself, his or her
9 heirs, descendants, dependents, executors, administrators, assigns, and successors, fully and finally
10 release and discharge the Released Parties from any and all of the Released Claims for the entirety
11 of the Class Period across the Actions. This waiver and release will be final and binding on the date
12 in which Defendant fully funds the settlement, by depositing the Maximum Settlement Amount into
13 the Qualified Settlement Fund established by the Claim Administrator, and will have every
14 preclusive effect permitted by law. Plaintiffs and the Settlement Class Members may hereafter
15 discover facts or legal arguments in addition to or different from those they now know or currently
16 believe to be true with respect to the Released Claims. Regardless, the discovery of new facts or
17 legal arguments shall in no way limit the scope or definition of the Released Claims, and by virtue
18 of this Agreement, Plaintiffs and the Settlement Class Members shall be deemed to have, and by
19 operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled
20 and released all of the Released Claims. The Parties understand and specifically agree that the scope
21 of the release described in this Paragraph: is a material part of the consideration for this Agreement;
22 was critical in justifying the agreed upon economic value of this settlement and without it
23 Defendant would not have agreed to the consideration provided; and is narrowly drafted and
24 necessary to ensure that Defendant is obtaining peace of mind regarding the resolution of claims
25 that were or could have been alleged based on the facts, causes of action, and legal theories
26 contained in the operative complaint in the Action.

27 64-65. Released PAGA Claims. (collectively with Released Class Claims, the "Released
28 Claims") means all claims, rights, demands, liabilities, causes of action, and theories of liability of

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1 every nature and description under the California Labor Code Private Attorneys General Act of
2 2004, Labor Code Sections 2698, et seq., whether known or unknown, that were or could have been
3 alleged against Defendant or any of the Released Parties arising out of, in connection with, or based
4 on the facts alleged in the Complaints and PAGA Letters for failure to pay minimum wage under
5 California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage Order; failure to pay
6 overtime wages under California Labor Code §§ 510, 1194, 1198 and the applicable IWC Wage
7 Order; failure to provide and/or properly pay for rest periods under California Labor Code §§ 226.7,
8 516, 558, and the applicable IWC Wage Order; failure to provide and/or properly pay for meal
9 periods under California Labor Code §§ 226.7, 512 and the applicable IWC Wage Order; failure to
10 pay wages of terminated or resigned employees and waiting time penalties under California Labor
11 Code §§ 201-203 and the applicable IWC Wage Order; failure to maintain required records under
12 California Labor Code § 226 and the applicable IWC Wage Order; failure to provide accurate wage
13 statements including under California Labor Code § 226 and the applicable IWC Wage Order;
14 failure to indemnify employees for necessary expenditures incurred in discharge of duties under
15 California Labor Code §2802, any other claims or penalties under the California Labor Code or
16 other wage and hour laws pleaded in the Action, conversion, penalties, damages, interest, costs or
17 attorneys' fees, and violations of any other state or federal law, whether for economic damages,
18 non-economic damages, liquidated or punitive damages, restitution, tort, contract, equitable relief,
19 injunctive or declaratory relief, to the extent necessary to effect a full and complete release of the
20 Released PAGA Claims. This release shall extend to all such claims accrued during the PAGA
21 Period and shall be binding on all PAGA Members regardless of whether they submit a valid
22 Request for Exclusion from the Class.

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23 62-66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
24 include the terms set forth in any attached Exhibits, which are incorporated by reference as though
25 fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the
26 Settlement.

27 63-67. Publicity Agreement. Plaintiffs and Class Counsels agree not to disclose or
28 publicize the Settlement, including the fact of the Settlement, its terms or contents, and the

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1 negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person
2 or entity, except potential class members and as shall be contractually required to effectuate the
3 terms of the Settlement. For the avoidance of doubt, this section means Plaintiffs and Class
4 Counsels agree not to issue press releases, communicate with, or respond to any media or
5 publication entities, publish information in manner or form, whether printed or electronic, on any
6 medium or otherwise communicate, whether by print, video, recording or any other medium, with
7 any person or entity concerning the Settlement, including the fact of the Settlement, its terms or
8 contents and the negotiations underlying the Settlement, except as shall be contractually required to
9 effectuate the terms of the Settlement. However, for the limited purpose of allowing Plaintiffs'
10 Counsel to prove adequacy as class counsel in other actions for the limited purpose of showing to
11 the court that the case has settled, Plaintiffs' Counsel may disclose the name of the Parties in this
12 action and the venue/case number of this action (but not any other settlement details) for such
13 purposes.

14 64.68. No Unalleged Claims. Plaintiffs and Class Counsels represent that they are not
15 currently aware of any: (a) unalleged claims in addition to, or different from, those which are finally
16 and forever settled and released against the Released Parties by this Settlement; and (b) unalleged
17 facts or legal theories upon which any claims or causes of action could be brought against
18 Defendant, except such facts and theories specifically alleged in the operative complaints in this
19 Action. Plaintiffs and Plaintiffs' Counsels will further represent that, other than the instant Action,
20 they have no current intention of asserting any other claims against Defendant in any judicial or
21 administrative forum and do not currently know of or represent any persons who have expressed
22 any interest in pursuing litigation or seeking any recovery against Defendant. The Parties
23 acknowledge, understand and agree that the representations described in this paragraph are essential
24 to the Settlement Agreement and that this Settlement Agreement would not have been entered into
25 were it not for this representation.

26 65.69. Defendant's Option to Revoke Settlement. If, after the Response Deadline, the
27 number of Settlement Class Members who submitted timely and valid written requests for
28 exclusion from the Settlement is at least five percent (5%) of all 670 Settlement Class Members,

1 Defendant shall have, in its sole discretion, the option to terminate this Settlement. If Defendant
2 exercises the option to terminate this Settlement, Defendant shall: (a) provide written notice to
3 Class Counsels within seven (7) business days after the Response Deadline and (b) pay all
4 Settlement Administration Costs incurred up to the date or as a result of the termination, and the
5 Parties shall proceed in all respects as if this Settlement Agreement had not been executed.

6 66.70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
7 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
8 agreements may be deemed binding on the Parties.

9 67.71. Amendment or Modification. This Settlement Agreement may be amended or
10 modified only by a written instrument signed by counsel for all Parties or their successors-in-
11 interest.

12 68.72. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
13 and represent they are expressly authorized by the Parties whom they represent to negotiate this
14 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
15 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
16 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
17 counsel will cooperate with each other and use their best efforts to effect the implementation of the
18 Settlement. If the Parties are unable to reach agreement on the form or content of any document
19 needed to implement the Settlement, or on any supplemental provisions that may become necessary
20 to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
21 such disagreement.

22 69.73. Binding on Successors and Assigns. This Settlement Agreement will be binding
23 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
24 defined.

25 70.74. California Law Governs. All terms of this Settlement Agreement and Exhibits
26 hereto will be governed by and interpreted according to the laws of the State of California.

27 71.75. Execution and Counterparts. This Settlement Agreement is subject only to the
28 execution of all Parties. However, the Settlement may be executed in one or more counterparts. All

1 executed counterparts and each of them, including facsimile and scanned copies of the signature
2 page, will be deemed to be one and the same instrument provided that counsel for the Parties will
3 exchange among themselves original signed counterparts.

4 72-76. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
5 this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have
6 arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
7 taking into account all relevant factors, present and potential. The Parties further acknowledge that
8 they are each represented by competent counsel and that they have had an opportunity to consult
9 with their counsel regarding the fairness and reasonableness of this Settlement. In addition, the
10 Mediator may execute a declaration supporting the Settlement and the reasonableness of the
11 Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and
12 whether or not the Settlement is objectively fair and reasonable

13 73-77. Invalidity of Any Provision. Before declaring any provision of this Settlement
14 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
15 possible consistent with applicable precedents so as to define all provisions of this Settlement
16 Agreement valid and enforceable.

17 74-78. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
18 class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class
19 Counsels may appeal any reduction in Attorneys' Fees and Costs below the amount they request
20 from the Court, and either party may appeal any court order that materially alters the Settlement
21 Agreement's terms.

22 75-79. Non-Admission of Liability. The Parties enter into this Settlement to resolve the
23 dispute that has arisen between them and to avoid the burden, expense and risk of continued
24 litigation. In entering into this Settlement, Defendant does not admit, and specifically denies, that it
25 violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant
26 to any statute or any other applicable laws, regulations or legal requirements; breached any contract;
27 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any
28 other unlawful conduct with respect to its employees. Neither this Settlement, nor any of its terms

1 or provisions, nor any of the negotiations connected with it, will be construed as an admission or
2 concession by Defendant of any such violations or failures to comply with any applicable law.
3 Except as necessary in a proceeding to enforce the terms of this Settlement, this Settlement and its
4 terms and provisions will not be offered or received as evidence in any action or proceeding to
5 establish any liability or admission on the part of Defendant or to establish the existence of any
6 condition constituting a violation of, or a non-compliance with, federal, state, local or other
7 applicable law.

8 ~~76-80.~~ Waiver. No waiver of any condition or covenant contained in this Settlement or
9 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
10 constitute a further waiver by such party of the same or any other condition, covenant, right or
11 remedy.

12 ~~77-81.~~ Enforcement Action. In the event that one or more of the Parties institutes any legal
13 action or other proceeding against any other Party or Parties to enforce the provisions of this
14 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
15 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
16 and costs, including expert witness fees incurred in connection with any enforcement actions.

17 ~~78-82.~~ Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
18 and conditions of this Settlement. Accordingly, this Settlement Agreement will not be construed
19 more strictly against one party than another merely by virtue of the fact that it may have been
20 prepared by counsel for one of the Parties. It being recognized that, because of the arms-length
21 negotiations between the Parties, all Parties have contributed to the preparation of this Settlement
22 Agreement.

23 ~~79-83.~~ Representation By Counsel. The Parties acknowledge that they have been
24 represented by counsel throughout all negotiations that preceded the execution of this Settlement
25 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
26 counsel. Further, Plaintiffs and Class Counsels warrant and represent that there are no liens on the
27 Settlement Agreement.

1 ~~80.84.~~ All Terms Subject to Final Court Approval. All amounts and procedures described
2 in this Settlement Agreement herein will be subject to final Court approval.

3 ~~84.85.~~ Cooperation and Execution of Necessary Documents. All Parties will cooperate in
4 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of
5 this Settlement Agreement.

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

11 _____ ///

12 ///

13 {LEFT BLANK INTENTIONALLY, SIGNATURES CAN BE FOUND BELOW}

14 ///

15 ~~86.~~ ///

16 **SO AGREED AND STIPULATED**

17 **PLAINTIFF ERICKA CARROLL**

18
19 Dated: ~~October 7, 2021October 7, 2021October 7, 2021October 7, 2021October 7, 2021October 7,~~
~~2021October 5, 2021~~

20 _____
Ericka Monique Carroll

21
22 **PLAINTIFF BLAIKE WELLINGTON**

23 DATED: ~~October 7, 2021October 7, 2021October 7, 2021October 7, 2021October 7, 2021October 7,~~
24 ~~7, 2021October 5, 2021~~

25 _____
Blaike Wellington

26 **PLAINTIFF BETTY PEREZ**

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1 DATED: ~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 5, 2021~~

2 _____
Betty Perez

3
4 **DEFENDANT L.A. FAMILY HOUSING**
5 **CORPORATION**

6 DATED: ~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 5, 2021~~

7 _____
8 By: Stephane Klasky-Gamer
9 Title: CEO

10 **LEWIS BRISBOIS BISGAARD & SMITH**

11
12
13 DATED: ~~October 7, 2021~~~~October 7,~~
14 ~~2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7,~~
15 ~~2021~~~~October 7, 2021~~~~October 5, 2021~~~~May ,~~
16 ~~2021~~

17 By _____
18 Katherine Den Bleyker
19 Christopher W. Harmon
20 Armine Antonyan
21 Attorneys for Defendant, L.A. Family
22 Housing Corporation

23 **DAVID YEREMIAN & ASSOCIATES, INC.**

24 DATED: ~~October 7, 2021~~~~October 7,~~
25 ~~2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7,~~
26 ~~2021~~~~October 7, 2021~~~~October 5, 2021~~~~May ,~~
27 ~~2021~~

28 By _____
David Yeremian
Roman Shkodnik
Attorneys for Plaintiff, Ericka Monique
Carroll and all others similarly situated

29 DATED: ~~October 7, 2021~~~~October 7,~~
30 ~~2021~~~~October 7, 2021~~~~October 7, 2021~~~~October 7,~~
31 ~~2021~~~~October 7, 2021~~~~October 5, 2021~~~~May ,~~
32 ~~2021~~

33 **WEST COAST TRIAL LAWYERS, APLC**

~~2021~~

By: _____
Ronald Zambrano
Melineh Kasbarian
Attorneys for Plaintiff Blaike Wellington

DATED: May ____ 2021

AEGIS LAW FIRM, PC

By: _____
Kashif Haque
Jessica L. Campbell
Attorneys for Plaintiff Blaike Wellington

EXHIBIT 3

THE LAW OFFICES OF

**DAVID YEREMIAN
& ASSOCIATES INC**

535 N BRAND BLVD STE 705
GLENDALE CA 91203

818 230 8380

818 230 0308 FAX

DAVID@YEREMIANLAW.COM; JASON@YEREMIANLAW.COM

October 27, 2020

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128> (copy by certified mail to the below listed Defendants)

L.A. FAMILY HOUSING CORPORATION, a California Domestic Nonprofit

Agent for Service of Process – Ross Winn

11400 W. Olympic Blvd., 9th Floor

Los Angeles, CA 91605

Certified Mail Tracking Number: 7019 2970 0000 5058 2649

**Re: Labor Code § 2698, et seq. Penalties –
Amended PAGA Notice Letter to LWDA (original dated February 4, 2020)
Ericka Carroll v L.A. Family Housing Corporation, et al.
Superior Court for the County of Los Angeles, Case No. 20STCV04474
LWDA Case No. LWDA-CM-770541-20**

Gentlepersons:

This office represents Plaintiff Ericka Monique Carroll (“Plaintiff”) and other aggrieved employees (Plaintiff and aggrieved employees are collectively hereinafter referred to as “Aggrieved Employees”) for, *inter alia*, violations of California Labor Code §§ 201, 202, 203, 204, 218.6, 221, 226, 226.7, 510, 512, 558, 1174, 1185, 1194, 1194.2, 1197, 2802, 2698 and 2699, *et seq.*; and provisions of the Industrial Welfare Commission (IWC) Wage Order(s).

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* (“the Act”), and to supplement and amend Plaintiff’s original PAGA Notice Letter to the LWDA, submitted **February 4, 2020** (LWDA Case No. LWDA-CM-770541-20). Plaintiff wishes to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants L.A. FAMILY HOUSING CORPORATION, a California Domestic Nonprofit, and DOES 1 through 50 inclusive (defendants being referred to herein collectively as “Defendants”).

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with Plaintiff’s Class Action Complaint, filed on **February 4, 2020** in Los Angeles County (Case No. 20STCV04474), and Plaintiff’s First Amended Class Action Complaint, attached to this Notice letter and filed **July 17, 2020**. The allegations and claims and provisions as set forth in the Complaint, the First Amended Complaint, and the original PAGA Notice Letter are incorporated into this Amended PAGA Notice Letter.

Relevant Facts

Plaintiff was employed by Defendants as a non-exempt hourly employee. Aggrieved Employees include all of Defendants' non-exempt hourly employees in the state of California from one year prior to the date of this letter and continuing through the present.

Aggrieved Employees consistently worked at Defendants' behest, under their control, and subject to their policies and practices without being paid all wages due.

As discussed in detail below, Defendants' employment practices resulted in (i) Aggrieved Employees performing off-the-clock pre-shift and post-shift work without compensation, (ii) the under-recording of all hours worked, resulting in failure to pay overtime wages, (iii) failure to provide timely, uninterrupted meal and rest breaks, (iv) failure to allow Aggrieved Employees to leave premises during rest breaks, (v) failure to furnish accurate wage statements, (vi) failure to reimburse all necessarily incurred business expenses; (vii) unlawfully deducting vested wages, and (viii) failure to timely pay Aggrieved Employees upon separation. Defendants' conduct thus violated various provisions of the California Labor Code and applicable Wage Orders

Defendants failed to pay Aggrieved Employees all wages due and owing for pre-shift and post-shift hours worked. Plaintiff was scheduled to work, on average, five (5) days per week, Monday to Wednesday and Saturday to Sunday, from 4:00 p.m. – 12:00 a.m. However, due to the demands of the job placed upon Plaintiff, and upon information and belief Aggrieved Employees, Plaintiff would regularly engage in pre-shift and post-shift work related duties after clocking out for the day.

Regarding pre-shift work conducted off the clock, Plaintiff would typically begin her shift at 3:45 p.m. in order to confer with other employees regarding the status of tenants, check emails, and do a pre-building walk through. Despite beginning her shift 15 minutes prior to her scheduled start time, she would be unable to clock in earlier than 4:00 p.m. due to Defendants management not giving her pre-approval to work overtime.

Regarding post-shift work conducted off the clock, Plaintiff was required to clock out as close to 12:00 a.m. (the end of her normally scheduled shift) as she could unless she got pre-approval to work overtime hours. Yet Plaintiff was regularly unable to leave her shift at 12:00 a.m. due to (i) her replacement not arriving at time for shift change, or (ii) a tenant requiring help or needing ongoing assistance whom she was currently assisting, or (iii) opening up locked apartment doors for tenants whom misplaced their keys, or (iv) being in the process of driving between different facilities, or (v) her replacement having called in sick and Plaintiff was then in charge of showing the temporary employee around the facility before she could leave. Plaintiff, on average, accrued thirty (30) minutes of off-the-clock post-shift work per day. In order for Plaintiff to work that additional thirty (30) minutes while on the clock she needed to get pre-approval by management, who often unavailable when Plaintiff made the request on or around 12:00 a.m.

Moreover, while Defendants had the ability to record the time Aggrieved Employees worked to the exact minute, they nevertheless rounded down the hours worked to the nearest quarter

of an hour, to the Aggrieved Employees detriment. Defendants have therefore intentionally and improperly required Aggrieved Employees to accept rounded, changed, adjusted and/or modified hours worked, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits

This was an intentional and calculated practice of Defendants to avoid paying Aggrieved Employees all duly owed wages. Thus, Aggrieved Employees worked longer hours than recorded by Defendants. This off-the-clock work also resulted in overtime hours accruing earlier than when Defendants started paying them in a work shift. Defendants therefore unlawfully deducted wages earned by and owed to the Aggrieved Employees, in violation of Labor Code § 221. Defendants' common policy and/or practice of understating the hours worked by Aggrieved Employees has given rise to further ongoing violations of Labor Code § 221.

As a result of the above described requirements to work off the clock, rounding and/or under recording of hours worked, the failure to calculate and pay wages at the correct rates, and the other wage violations they endured at Defendants' hands, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants for all hours they worked and were under Defendants' control, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week. The Aggrieved Employees were therefore entitled to receive overtime wages from Defendants, which they were consistently denied in violation of the Labor Code and applicable paragraphs of the IWC Wage Orders.

Due to the work demands and pressures from managers and supervisors, Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of ten (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Employee's effective hourly rate of pay, for each meal period that Defendants failed to provide or deficiently provided. For example, (i) Plaintiff was unable to leave her position unattended during her scheduled shift because she always had to be available and ready in case her services were needed, (ii) she had to be available for tenants at all times during her shift, (iii) she could not skip her scheduled building inspections, and (iv) if she was driving tenants to difference facilities she was unable to leave them unattended. Thus, Aggrieved Employees meal breaks were often interrupted and cut short by either Defendant.

Meal breaks were also consistently late due to Defendants' policy of rounding time keeping records and pressuring Aggrieved Employees to engage in pre-shift and post off the clock work.

Aggrieved Employees were regularly required by Defendants to work through or during their rest breaks, and were not provided with one hour's wages in lieu thereof as required by Labor Code and IWC Wage Orders. Aggrieved Employees were also restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not authorized and permitted to

take duty-free rest periods. Aggrieved Employees were also unable to leave Defendants premises during rest breaks.

On occasions when the Aggrieved Employees worked over twelve (12) hour shifts, they were, upon information and belief, not authorized and permitted to take a third timely and uninterrupted, duty-free rest break.

Upon information and belief, Defendants automatically deducted thirty (30) minutes from Aggrieved Employees' pay, even though thirty (30) minute meal breaks were not provided. Therefore, Defendants unlawfully deducted wages earned by and owed to the Aggrieved Employees, in violation of Labor Code § 221.

Defendants' management also did not reimburse Aggrieved Employees for all necessarily incurred expenses in performance of their job duties in the form of cellular phone expenditures. Plaintiff was required to use her personal cellular phone on a regular basis during her scheduled shift. Defendants only provided Plaintiff a landline yet Plaintiff had to be available at all times during her shift, including when she was doing hallway and room inspections. There was also a period of time in which Plaintiff had to clock in and out of Defendants timekeeping machine using her cellular phone. Plaintiff estimates that 20% of her cellular phone usage was used as a result of these work-related calls and messages

Defendants also consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). The wage statements are required to show the total hours worked by Aggrieved Employees, amongst other items detailed below, which they do not. The absence of showing total hours worked, combined with Defendants practice of paying all double time hours worked by Aggrieved Employees at their standard hourly rate lead to confusion about how many hours were actually worked and at which rates per pay period.

Defendants also failed to list, or to accurately list, the name of the employer on wage statements issued to Aggrieved Employees in violation of Labor Code 226(a)(8), requiring the wage statements to list "the name and address of the legal entity that is the employer." More specifically, the wage statements issued to Aggrieved Employees lists "L.A. FAMILY HOUSING CORPORATION" as the employer. FAMILY CORPORATION does not exist under the California Secretary of State. FAMILY CORPORATION does share the same address as FAMILY LLC, which is located under the California Secretary of State as doing business within California. Upon information and belief, FAMILY CORPORATION is a fictitious entity. This has led to a sense of confusion and uncertainty as whom Aggrieved Employees are truly employed by.

Moreover, Defendants failed to pay Aggrieved Employees all wages owed, as detailed above, at the time of their termination or within seventy-two (72) hours of their resignation, as required under Labor Code § 203.

As addressed above, Aggrieved Employees complain of the following violations committed by Defendants:

Failure to Pay Minimum Wages

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states, “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” Due to Defendants policy of under recording hours, rounding hours worked, and requiring off the clock work, Aggrieved Employees were required to work pre-shift and post-shift hours off the clock without being paid minimum wages, regular wages, and applicable overtime at their required rates.

Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover their unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558 and applicable Wage Order provisions.

Failure to Pay Wages and Overtime in Violation of Labor Code § 510

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime for all hours worked and during which they were under the control of Defendants. Aggrieved Employees were not paid overtime wages for hours worked in excess of eight (8) hours a day. Additionally, Defendants failed to pay Aggrieved Employees for all hours worked and failed to pay overtime compensation at premium overtime rates. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Order provisions.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, and 1194 (and the relevant orders of the Industrial Welfare Commission). Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys’ fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

///
///

Meal-Period Liability Under Labor Code § 226.7

Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with timely and uninterrupted meal periods of not less than thirty (30) minutes, as required under Labor Code §§ 226.7 and 512 and applicable Wage Orders. Specifically, meal periods Aggrieved Employees were provided were consistently less than 30 minutes or were taken after their fifth consecutive hour of work, or interrupted by job requirements, all in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees “premium pay,” i.e. one hour of wages at each Aggrieved Employee’s effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Rest-Break Liability Under Labor Code § 226.7

Defendants have consistently failed to provide Aggrieved Employees with duty-free, paid rest breaks of not less than ten (10) minutes for every work period of four (4) or more consecutive hours, or major fraction thereof, as required under Labor Code § 226.7. Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided. See Labor Code § 226.7(c). In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Unlawfully Collecting or Receiving Wages in Violation of Labor Code § 221

Labor Code § 221 provides, “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” As discussed above, Defendants unlawfully received and/or collected wages from Aggrieved Employees by understating their hours worked and automatically deducting time for unlawfully provided meal periods. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Failure to Issue Accurate Wage Statements in Violation of Labor Code § 226

California Labor Code § 226(a) requires an employer to furnish accurate, itemized wage statements in writing to its employees. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee’s wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants’ violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants also failed to list, or to accurately list, the name of the employer on wage statements issued to Aggrieved Employees in violation of Labor Code 226(a)(8), requiring the wage statements to list “the name and address of the legal entity that is the employer.”

For example, the wage statements are required to show the total hours worked by Aggrieved Employees, which they do not. The absence of showing total hours worked, combined with Defendants practice of paying all double time hours worked by Aggrieved Employees at their standard hourly rate lead to confusion about how many hours were actually worked and at which rates per pay period.

Therefore, Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, as discussed above. In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e), Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Labor Code § 226.3 provides that "[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226." To the extent that Labor Code § 226.3 applies, Plaintiff also seeks such penalties on behalf of herself and the other Aggrieved Employees.

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have followed a consistent policy of failing to pay all wages earned and owed to Aggrieved Employees at the time of their termination or within seventy-two (72) hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Failure to Issue Semimonthly Payments in Violation of Labor Code § 204

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis, as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

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Reimbursement of Necessary Expenditures Under Labor Code § 2802

Under Labor Code § 2802(a) an employer must indemnify its 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 her obedience to the directions of the employer.

In the present case, as discussed above, Aggrieved Employees incurred necessary expenditures in the performance of their job duties for Defendants, in the form of clothing purchases and cellular phone usage. Thus Aggrieved Employees were not reimbursed for those lawful and necessary work related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9.

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the daily hours worked by employees and the wages paid to them. By failing to pay Aggrieved Employees proper wages, overtime, premium pay, etc., all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.*

Unfair Competition Under Business and Professions Code § 17200, et seq.

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 *et seq.*

Conclusion

We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

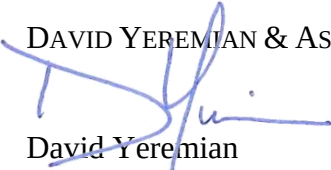
This letter, along with the original PAGA Notice Letter, the Complaint, and the First Amended Complaint pending in Los Angeles County, therefore provides the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against L.A. FAMILY HOUSING CORPORATION, a California Domestic Nonprofit. To prevent the violations described in the Complaint, the First Amended Complaint, original PAGA Notice Letter, and herein from continuing, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

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Wherefore we request that you advise us, by certified mail within sixty (60) days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and Aggrieved Employees should include them as a Labor Code § 2698 claim under the Act in an amended Complaint.

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Defendants by Certified Mail

THE LAW OFFICES OF

**DAVID YEREMIAN
& ASSOCIATES INC**

535 N BRAND BLVD STE 705
GLENDALE CA 91203

818 230 8380

818 230 0308 FAX

DAVID@YEREMIANLAW.COM; JASON@YEREMIANLAW.COM

February 4, 2020

VIA ON-LINE SUBMISSION ONLY TO:

<https://dir.tfaforms.net/128> (copy by certified mail to the below listed Defendants)

L.A. FAMILY HOUSING LLC

Agent for Service of Process – Ross Winn

11400 W. Olympic Blvd.

Los Angeles, CA 90064

Certified Mail Tracking Number: 7018 3090 0000 6138 4424

L.A. FAMILY HOUSING CORPORATION

7843 Lankershim Blvd.

North Hollywood, CA 91605

Certified Mail Tracking Number: 7018 3090 0000 6138 4431

**Re: Labor Code § 2698, et seq. Penalties – PAGA Notice Letter
*Ericka Carroll v L.A. Family Housing LLC, et al.***

Gentlepersons:

This office represents Plaintiff Ericka Monique Carroll (“Plaintiff”) and other aggrieved employees (Plaintiff and aggrieved employees are collectively hereinafter referred to as “Aggrieved Employees”) for, *inter alia*, violations of California Labor Code §§ 201, 202, 203, 204, 218.6, 221, 226, 226.7, 510, 512, 558, 1174, 1185, 1194, 1194.2, 1197, 2802, 2698 and 2699, *et seq.*; and provisions of the Industrial Welfare Commission (IWC) Wage Order(s).

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et. seq.* (“the Act”). Plaintiff wishes to bring a representative action, pursuant to the Act, on behalf of herself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants L.A. FAMILY HOUSING LLC, a California limited liability company, L.A. FAMILY HOUSING CORPORATION, a business entity of unknown origin, and DOES 1 through 50 inclusive (defendants being referred to herein collectively as “Defendants”).

Relevant Facts

Plaintiff was employed by Defendants as a non-exempt hourly employee. Aggrieved Employees include all of Defendants’ non-exempt hourly employees in the state of California from one year prior to the date of this letter and continuing through the present.

Aggrieved Employees consistently worked at Defendants' behest, under their control, and subject to their policies and practices without being paid all wages due.

As discussed in detail below, Defendants' employment practices resulted in (i) Aggrieved Employees performing off-the-clock pre-shift and post-shift work without compensation, (ii) the under-recording of all hours worked, resulting in failure to pay overtime wages, (iii) failure to provide timely, uninterrupted meal and rest breaks, (iv) failure to allow Aggrieved Employees to leave premises during rest breaks, (v) failure to furnish accurate wage statements, (vi) failure to reimburse all necessarily incurred business expenses; (vii) unlawfully deducting vested wages, and (viii) failure to timely pay Aggrieved Employees upon separation. Defendants' conduct thus violated various provisions of the California Labor Code and applicable Wage Orders

Defendants failed to pay Aggrieved Employees all wages due and owing for pre-shift and post-shift hours worked. Plaintiff was scheduled to work, on average, five (5) days per week, Monday to Wednesday and Saturday to Sunday, from 4:00 p.m. – 12:00 a.m. However, due to the demands of the job placed upon Plaintiff, and upon information and belief Aggrieved Employees, Plaintiff would regularly engage in pre-shift and post-shift work related duties after clocking out for the day.

Regarding pre-shift work conducted off the clock, Plaintiff would typically begin her shift at 3:45 p.m. in order to confer with other employees regarding the status of tenants, check emails, and do a pre-building walk through. Despite beginning her shift 15 minutes prior to her scheduled start time, she would be unable to clock in earlier than 4:00 p.m. due to Defendants management not giving her pre-approval to work overtime.

Regarding post-shift work conducted off the clock, Plaintiff was required to clock out as close to 12:00 a.m. (the end of her normally scheduled shift) as she could unless she got pre-approval to work overtime hours. Yet Plaintiff was regularly unable to leave her shift at 12:00 a.m. due to (i) her replacement not arriving at time for shift change, or (ii) a tenant requiring help or needing ongoing assistance whom she was currently assisting, or (iii) opening up locked apartment doors for tenants whom misplaced their keys, or (iv) being in the process of driving between different facilities, or (v) her replacement having called in sick and Plaintiff was then in charge of showing the temporary employee around the facility before she could leave. Plaintiff, on average, accrued thirty (30) minutes of off-the-clock post-shift work per day. In order for Plaintiff to work that additional thirty (30) minutes while on the clock she needed to get pre-approval by management, who often unavailable when Plaintiff made the request on or around 12:00 a.m.

Moreover, while Defendants had the ability to record the time Aggrieved Employees worked to the exact minute, they nevertheless rounded down the hours worked to the nearest quarter of an hour, to the Aggrieved Employees detriment. Defendants have therefore intentionally and improperly required Aggrieved Employees to accept rounded, changed, adjusted and/or modified hours worked, or otherwise caused them to work off the clock to avoid paying Aggrieved Employees all earned and owed straight time and overtime wages and other benefits

This was an intentional and calculated practice of Defendants to avoid paying Aggrieved Employees all duly owed wages. Thus, Aggrieved Employees worked longer hours than recorded by Defendants. This off-the-clock work also resulted in overtime hours accruing earlier than when Defendants started paying them in a work shift. Defendants therefore unlawfully deducted wages earned by and owed to the Aggrieved Employees, in violation of Labor Code § 221. Defendants' common policy and/or practice of understating the hours worked by Aggrieved Employees has given rise to further ongoing violations of Labor Code § 221.

As a result of the above described requirements to work off the clock, rounding and/or under recording of hours worked, the failure to calculate and pay wages at the correct rates, and the other wage violations they endured at Defendants' hands, Aggrieved Employees were not properly paid all wages earned and all wages owed to them by Defendants for all hours they worked and were under Defendants' control, including when working more than eight (8) hours in any given day and/or more than forty (40) hours in any given week. The Aggrieved Employees were therefore entitled to receive overtime wages from Defendants, which they were consistently denied in violation of the Labor Code and applicable paragraphs of the IWC Wage Orders.

Due to the work demands and pressures from managers and supervisors, Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with uninterrupted meal periods of not less than thirty (30) minutes, and shifts in excess of ten (10) hours without providing them with second meal periods of not less than thirty minutes; nor did Defendants pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Employee's effective hourly rate of pay, for each meal period that Defendants failed to provide or deficiently provided. For example, (i) Plaintiff was unable to leave her position unattended during her scheduled shift because she always had to be available and ready in case her services were needed, (ii) she had to be available for tenants at all times during her shift, (iii) she could not skip her scheduled building inspections, and (iv) if she was driving tenants to difference facilities she was unable to leave them unattended. Thus, Aggrieved Employees meal breaks were often interrupted and cut short by either Defendant.

Meal breaks were also consistently late due to Defendants' policy of rounding time keeping records and pressuring Aggrieved Employees to engage in pre-shift and post off the clock work.

Aggrieved Employees were regularly required by Defendants to work through or during their rest breaks, and were not provided with one hour's wages in lieu thereof as required by Labor Code and IWC Wage Orders. Aggrieved Employees were also restricted in their ability to take their full ten (10) minutes net rest time or were otherwise not authorized and permitted to take duty-free rest periods. Aggrieved Employees were also unable to leave Defendants premises during rest breaks.

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On occasions when the Aggrieved Employees worked over twelve (12) hour shifts, they were, upon information and belief, not authorized and permitted to take a third timely and uninterrupted, duty-free rest break.

Upon information and belief, Defendants automatically deducted thirty (30) minutes from Aggrieved Employees' pay, even though thirty (30) minute meal breaks were not provided. Therefore, Defendants unlawfully deducted wages earned by and owed to the Aggrieved Employees, in violation of Labor Code § 221.

Defendants' management also did not reimburse Aggrieved Employees for all necessarily incurred expenses in performance of their job duties in the form of cellular phone expenditures. Plaintiff was required to use her personal cellular phone on a regular basis during her scheduled shift. Defendants only provided Plaintiff a landline yet Plaintiff had to be available at all times during her shift, including when she was doing hallway and room inspections. There was also a period of time in which Plaintiff had to clock in and out of Defendants timekeeping machine using her cellular phone. Plaintiff estimates that 20% of her cellular phone usage was used as a result of these work-related calls and messages

Defendants also consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). The wage statements are required to show the total hours worked by Aggrieved Employees, amongst other items detailed below, which they do not. The absence of showing total hours worked, combined with Defendants practice of paying all double time hours worked by Aggrieved Employees at their standard hourly rate lead to confusion about how many hours were actually worked and at which rates per pay period.

Defendants also failed to list, or to accurately list, the name of the employer on wage statements issued to Aggrieved Employees in violation of Labor Code 226(a)(8), requiring the wage statements to list "the name and address of the legal entity that is the employer." More specifically, the wage statements issued to Aggrieved Employees lists "L.A. FAMILY HOUSING CORPORATION" as the employer. FAMILY CORPORATION does not exist under the California Secretary of State. FAMILY CORPORATION does share the same address as FAMILY LLC, which is located under the California Secretary of State as doing business within California. Upon information and belief, FAMILY CORPORATION is a fictitious entity. This has lead to a sense of confusion and uncertainty as whom Aggrieved Employees are truly employed by.

Moreover, Defendants failed to pay Aggrieved Employees all wages owed, as detailed above, at the time of their termination or within seventy-two (72) hours of their resignation, as required under Labor Code § 203.

As addressed above, Aggrieved Employees complain of the following violations committed by Defendants:

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Failure to Pay Minimum Wages

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled “Pay of Less Than Minimum Wage” states, “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” Due to Defendants policy of under recording hours, rounding hours worked, and requiring off the clock work, Aggrieved Employees were required to work pre-shift and post-shift hours off the clock without being paid minimum wages, regular wages, and applicable overtime at their required rates.

Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover their unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558 and applicable Wage Order provisions.

Failure to Pay Wages and Overtime in Violation of Labor Code § 510

Defendants violated the law by failing to pay Aggrieved Employees earned wages and overtime for all hours worked and during which they were under the control of Defendants. Aggrieved Employees were not paid overtime wages for hours worked in excess of eight (8) hours a day. Additionally, Defendants failed to pay Aggrieved Employees for all hours worked and failed to pay overtime compensation at premium overtime rates. Moreover, the uncompensated time, discussed above, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Order provisions.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, and 1194 (and the relevant orders of the Industrial Welfare Commission). Defendants are liable to Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys’ fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions.

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Meal-Period Liability Under Labor Code § 226.7

Defendants have regularly required Aggrieved Employees to work shifts in excess of five (5) hours without providing them with timely and uninterrupted meal periods of not less than thirty (30) minutes, as required under Labor Code §§ 226.7 and 512 and applicable Wage Orders. Specifically, meal periods Aggrieved Employees were provided were consistently less than 30 minutes or were taken after their fifth consecutive hour of work, or interrupted by job requirements, all in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees “premium pay,” i.e. one hour of wages at each Aggrieved Employee’s effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Rest-Break Liability Under Labor Code § 226.7

Defendants have consistently failed to provide Aggrieved Employees with duty-free, paid rest breaks of not less than ten (10) minutes for every work period of four (4) or more consecutive hours, or major fraction thereof, as required under Labor Code § 226.7. Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided. See Labor Code § 226.7(c). In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Unlawfully Collecting or Receiving Wages in Violation of Labor Code § 221

Labor Code § 221 provides, “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” As discussed above, Defendants unlawfully received and/or collected wages from Aggrieved Employees by understating their hours worked and automatically deducting time for unlawfully provided meal periods. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Failure to Issue Accurate Wage Statements in Violation of Labor Code § 226

California Labor Code § 226(a) requires an employer to furnish accurate, itemized wage statements in writing to its employees. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee’s wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants’ violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants also failed to list, or to accurately list, the name of the employer on wage statements issued to Aggrieved Employees in violation of Labor Code 226(a)(8), requiring the wage statements to list “the name and address of the legal entity that is the employer.” More

specifically, the wage statements issued to Aggrieved Employees lists “L.A. FAMILY HOUSING CORPORATION” as the employer. FAMILY CORPORATION does not exist under the California Secretary of State. FAMILY CORPORATION does share the same address as FAMILY LLC, which is located under the California Secretary of State as doing business within California. Upon information and belief, FAMILY CORPORATION is a fictitious entity. This has lead to a sense of confusion and uncertainty as whom Aggrieved Employees are truly employed by.

For example, the wage statements are required to show the total hours worked by Aggrieved Employees, which they do not. The absence of showing total hours worked, combined with Defendants practice of paying all double time hours worked by Aggrieved Employees at their standard hourly rate lead to confusion about how many hours were actually worked and at which rates per pay period.

Therefore, Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, premium pay for deficiently provided meal periods and rest breaks, and unlawfully received or collected wages, as discussed above. In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e), Aggrieved Employees are entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys’ fees.

Labor Code § 226.3 provides that “[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226.” To the extent that Labor Code § 226.3 applies, Plaintiff also seeks such penalties on behalf of herself and the other Aggrieved Employees.

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees no longer work for Defendants; they either resigned or were terminated from Defendants’ employ. Based on the forgoing, Defendants have followed a consistent policy of failing to pay all wages earned and owed to Aggrieved Employees at the time of their termination or within seventy-two (72) hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee’s wages shall continue until paid for up to thirty (30) days from the date they were due.

Failure to Issue Semimonthly Payments in Violation of Labor Code § 204

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis, as required under Labor

Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders. In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558.

Reimbursement of Necessary Expenditures Under Labor Code § 2802

Under Labor Code § 2802(a) an employer must indemnify its 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 her obedience to the directions of the employer.

In the present case, as discussed above, Aggrieved Employees incurred necessary expenditures in the performance of their job duties for Defendants, in the form of clothing purchases and cellular phone usage. Thus Aggrieved Employees were not reimbursed for those lawful and necessary work related expenses or losses incurred in direct discharge of their job duties during employment with Defendants and at the direction of the Defendants pursuant to Labor Code § 2802(a) and the applicable IWC Wage Orders, paragraph 9.

Failure to Keep Records In Accordance With Labor Code § 1174

Labor Code § 1174 requires employers to keep records showing payroll data and the daily hours worked by employees and the wages paid to them. By failing to pay Aggrieved Employees proper wages, overtime, premium pay, etc., all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, et seq.

Unfair Competition Under Business and Professions Code § 17200, et seq.

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 et seq.

Conclusion

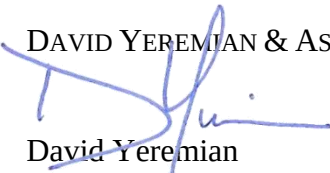
We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter therefore provides the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against L.A. FAMILY HOUSING LLC and L.A. FAMILY HOUSING CORPORATION. To prevent the violations described in the Complaint and herein from continuing, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants' employment practices in accordance with the Act.

Wherefore we request that you advise us, by certified mail within sixty (60) days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and Aggrieved Employees should include them as a Labor Code § 2698 claim under the Act in an amended Complaint.

Regards,

DAVID YEREMIAN & ASSOCIATES, INC.



David Yeremian

Cc: Defendants by Certified Mail



October 9, 2019

Via Certified Mail

LA Family Housing, LLC
c/o Ross Winn
Agent for Service of Process
11400 West Olympic Boulevard
Los Angeles, California 90064

In re Blake Wellington - Notice of PAGA Claim

Dear Mr. Winn:

This office has been retained by Blake Wellington (hereinafter "Plaintiff"), an employee of LA Family Housing, LLC. Pursuant to Labor Code § 2699.3(a), we are providing written notice that LA Family Housing, LLC violated various provisions of the California Labor Code. Plaintiff intends on filing a complaint against LA Family Housing, LLC in Los Angeles County Superior Court pursuant to Labor Code § 2699 et. seq. on behalf of herself and all hourly employees for LA Family Housing, LLC ("Aggrieved Employees").

During the entirety of her employment with LA Family Housing, LLC, Plaintiff and Aggrieved Employees were denied the ability to take their meal breaks and rest breaks on a daily basis. Specifically, they were alone at the front desk without any assistance and, thus, were unable to leave their work stations. Moreover, Plaintiff and Aggrieved Employees were denied overtime pay at an overtime rate.

Accordingly, LA Family Housing, LLC is in violation of the following Labor Code provisions under Labor Code § 2699.5: Labor Code § 226.7 and 512 (Meal and Rest Periods), Labor Code §§ 510-515 (Unpaid Overtime), Labor Code § 201-204 (Waiting Time Penalties), and Labor Code 226 & 226.3 (Inaccurate Wage Statements). Please be advised Plaintiff intends to enforce these claims against all owners, directors, officers, and managing agents of LA Family Housing, LLC under section 558.1 of the Labor Code. Finally, pursuant to Labor Code § 2699.3(a)(1), Plaintiff will serve the same written notice to LA Family Housing, LLC by and through its respective agents of service of process by certified mail.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Zambrano", is written over a horizontal line.

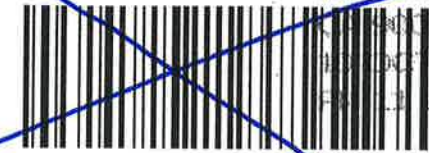
Ronald L. Zambrano, Esq.

CC: California Labor and Workforce Development Agency

WEST COAST
TRIAL LAWYERS

A Professional Law Corporation
350 S. Grand Ave. Suite 3350
Los Angeles, California 90071

CERTIFIED MAIL



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c/o Ross Winn
Agent for Service of Process
11400 West Olymp
Los Angeles, Calif

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UNABLE TO FORWARD

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LA Family Housing, LLC
c/o Ross Winn
Agent for Service of Process
11400 West Olympic Boulevard
Los Angeles, California 90064



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9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949.379.6250
Facsimile: 949.379.6251
www.aegislawfirm.com

November 6, 2020

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Private Attorneys General Act (PAGA) – Filing

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Agent for Service of Process for L.A. Family Housing Corporation:
Ross Winn
7843 Lankershim Blvd
North Hollywood CA 91605-2523

Re: Betty Perez v. L.A. Family Housing Corporation

Dear Labor and Workforce Development Agency; L.A. Family Housing Corporation:

Please allow this correspondence to serve as written notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by L.A. Family Housing Corporation ("LAFHC"), and the facts and theories in support of said allegations. This firm represents Betty Perez ("Claimant"). We hereby notify you that Claimant intends to seek penalties against LAFHC under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on behalf of herself and all other aggrieved employees.

Specific Provisions of the California Labor Code Allegedly Violated by LAFHC

The specific provisions of the Labor Code allegedly violated by LAFHC include the following: §§ 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2800 and 2802.

Facts and Theories Supporting the Allegations Against LAFHC

Claimant and other aggrieved employees worked for LAFHC as non-exempt employees in California. Claimant was employed by LAFHC as a non-exempt employee in California within the past year. Claimant's responsibilities included, among other things, coordinating housing transitions.

Throughout the course of Claimant's employment, LAFHC failed to provide meal periods for each five hours of work to Claimant and other aggrieved employees as required by Labor Code Section 512 and section 11 of the applicable Wage Order. Claimant and other aggrieved employees frequently worked shifts over five hours and did not receive lawful meal periods because they were

interrupted during their meal periods, not provided coverage for meal periods, and/or were not allowed to take meal periods at the appropriate intervals. As a result, their meal periods were missed, late, short, and/or interrupted. When Claimant and other aggrieved employees suffered meal period violations, LAFHC violated Labor Code Sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees.

Additionally, throughout the course of Claimant's employment, LAFHC failed to authorize or permit ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked. Claimant and other aggrieved employees were not authorized to take their rest periods at the appropriate time intervals under LAFHC's policy and practice. When Claimant and other aggrieved employees did not receive rest breaks, LAFHC violated Labor Code Section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees.

Further, LAFHC failed to pay Claimant and other aggrieved employees at least the legal minimum wage or the applicable overtime wage for all hours worked (in violation of Labor Code sections 558, 1182.12, 1194, 1194.2, 1197, and 1198) due to LAFHC's policy and practice of requiring Claimant and aggrieved employees to work or remain on-duty while off-the-clock, such as through their meal periods and after clocking out without proper pay. To the extent such work entitled employees to pay at the legal minimum wage rate or at the overtime rate of pay, LAFHC failed to pay Claimant and other aggrieved the required wages for these hours. (in violation of Labor Code section sections 510, 1194, and 1198).

LAFHC also failed to reimburse aggrieved employees for all business expenses incurred for LAFHC's benefit, including requiring them to use purchase their own Personal Protective Equipment (PPE) and Cleaning Supplies and to use their own personal vehicles for business purposes, without compensating aggrieved employees for the reasonable wear and tear on their vehicles (in violation of Labor Code Sections 2800 and 2802).

As a result of, and in addition to, these actions, LAFHC violated Labor Code sections 226 and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, at least some paystubs contained the wrong total hours, and incorrect or incomplete hours and wages due to the above violations, among other issues.

Furthermore, LAFHC failed to properly pay all wages owed throughout Claimant and other aggrieved employees' employment and following the end of these workers' employment due to the violations above (in violation of Labor Code Sections 201-204, and 210). LAFHC further

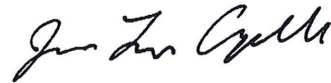
violated Labor Code Sections 1174 and 1174.5 by failing to maintain accurate and complete records due to the violations above.

Based on these violations, and any predicate violations subsequently discovered, Claimant seeks attorneys' fees, interest, and penalties under the Labor Code. Attached hereto and incorporated herein is the class action complaint Claimant intends to file on behalf of herself and all other aggrieved employees against LAFHC. Claimant intends to amend the complaint to include a cause of action pursuant to Labor Code §§ 2698, *et seq.*, after the minimum required review period elapses.

Thank you for your assistance on this issue. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very truly yours,

AEGIS LAW FIRM, PC

A handwritten signature in black ink, appearing to read "Jessica L. Campbell", written in a cursive style.

Jessica L. Campbell

Enclosure:
Class Action Complaint

AEGIS LAW FIRM, PC

SAMUEL A. WONG, State Bar No. 217104

KASHIF HAQUE, State Bar No. 218672

JESSICA L. CAMPBELL, State Bar No. 280626

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Attorneys for Plaintiff Betty Perez,
individually and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

BETTY PEREZ, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

L.A. FAMILY HOUSING
CORPORATION; and DOES 1 through 20,
inclusive,

Defendant.

Case No.

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Overtime Wages;
3. Failure to Provide Meal Periods;
4. Failure to Permit Rest Breaks;
5. Failure to Provide Accurate Itemized Wage Statements;
6. Failure to Pay All Wages Due Upon Separation of Employment;
7. Failure to Reimburse Necessary Business Expenses; and
8. Violation of Business and Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff Betty Perez, individually and on behalf of others similarly situated, alleges as
2 follows:

3 **NATURE OF ACTION AND INTRODUCTORY STATEMENT**

4 1. Plaintiff Betty Perez (“Plaintiff”) brings this putative class action against
5 defendant L.A. Family Housing Corporation; and DOES 1 through 20, inclusive (collectively,
6 “Defendant”), on behalf of herself individually and a putative class of non-exempt employees
7 employed by Defendant throughout California.

8 2. Defendant is in the business of providing consumer assistance, homeless support
9 services, shelter, and volunteer opportunities.

10 3. Through this action, Plaintiff alleges that Defendant has engaged in a systematic
11 pattern of wage and hour violations under the California Labor Code and Industrial Welfare
12 Commission (“IWC”) Wage Orders, all of which contribute to Defendant’s deliberate unfair
13 competition.

14 4. Plaintiff is informed and believes, and thereon alleges, that Defendant has
15 increased their profits by violating state wage and hour laws by, among other things:

- 16 (a) Failing to pay all wages (including minimum wages and overtime wages);
17 (b) Failing to provide meal periods or compensation in lieu thereof;
18 (c) Failing to authorize or permit rest breaks or provide compensation in lieu thereof;
19 (d) Failing to provide accurate itemized wage statements;
20 (e) Failing to reimburse necessary business expenses; and
21 (f) Failing to pay all wages due upon separation of employment.

22 5. Plaintiff brings this lawsuit seeking monetary relief against Defendant on behalf
23 of herself and all others similarly situated in California to recover, among other things, unpaid
24 wages and benefits, interest, attorneys’ fees, costs and expenses and penalties pursuant to Labor
25 Code §§ 201-203, 204, 210, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800,
26 2802 and Code of California Civil Procedures § 1021.5.

27 ///

28 ///

1 13. Plaintiff is informed and believes, and thereon alleges, that each defendant acted
2 in all respects pertinent to this action as the agent of the other defendant, carried out a joint
3 scheme, business plan or policy in all respects pertinent hereto, and the acts of each defendant
4 are legally attributable to the other defendant. Furthermore, defendant in all respects acted as
5 the employer and/or joint employer of Plaintiff and the class members.

6 14. Plaintiff is informed and believes, and thereon alleges, that each and all of the
7 acts and omissions alleged herein were performed by, or are attributable to, Defendant and/or
8 DOES 1 through 20, acting as the agent or alter ego for the other, with legal authority to act on
9 the other's behalf. The acts of any and all Defendant were in accordance with, and represent,
10 the official policy of Defendant.

11 15. At all relevant times, Defendant, and each of them, acted within the scope of
12 such agency or employment, or ratified each and every act or omission complained of herein.
13 At all relevant times, Defendant, and each of them, aided and abetted the acts and omissions of
14 each and all the other Defendant in proximately causing the damages herein alleged.

15 16. Plaintiff is informed and believes, and thereon alleges, that each of said
16 Defendant is in some manner intentionally, negligently or otherwise responsible for the acts,
17 omissions, occurrences and transactions alleged herein.

18 **CLASS ACTION ALLEGATIONS**

19 17. Plaintiff brings this action under Code of Civil Procedure § 382 on behalf of
20 herself and all others similarly situated who were affected by Defendant's Labor Code,
21 Business and Professions Code §§ 17200 and IWC Wage Order violations.

22 18. All claims alleged herein arise under California law for which Plaintiff seeks
23 relief authorized by California law.

24 19. Plaintiff's proposed Class consists of and is defined as follows:

25 Class: All California citizens currently or formerly employed as non-exempt
26 employees by Defendant in the State of California at any time between May 3,
2016¹ and the date of class certification.

27 ¹ The statute of limitations for this matter was tolled between April 6, 2020 and October 1, 2020,
28 pursuant to Cal. Rules of Court, Appendix I, Emergency Rule No. 9.

1 20. Plaintiff also seeks to certify the following Subclass of employees:

2 Waiting Time Subclass: All members of the Class who separated their
3 employment from Defendant at any time between May 3, 2017 and the date of
4 class certification.

5 21. Members of the Class and Subclass described above will be collectively referred
6 to as “class members.” Plaintiff reserves the right to establish other or additional subclasses, or
7 modify any Class or Subclass definition, as appropriate based on investigation, discovery and
8 specific theories of liability.

9 22. This action has been brought and may properly be maintained as a class action
10 under the California Code of Civil Procedure § 382 because there are common questions of law
11 and fact as to the Class that predominate over questions affecting only individual members
12 including, but not limited to:

- 13 (a) Whether Defendant failed to pay Plaintiff and Class Members all wages (including
14 minimum wages and overtime wages) for all hours worked by Plaintiff and Class
15 Members.
- 16 (b) Whether Defendants required Plaintiff and Class Members to work over eight
17 hours per day, over 12 hours per day, over 40 hours per week, and/or seven
18 consecutive days and failed to pay them overtime compensation at the proper rate.
- 19 (c) Whether Defendant deprived Plaintiff and class members of timely meal periods
20 without proper compensation;
- 21 (d) Whether Defendant deprived Plaintiff and class members of rest breaks without
22 proper compensation;
- 23 (e) Whether Defendant failed to timely pay Plaintiff and former class members all
24 wages due upon termination or within 72 hours of resignation;
- 25 (f) Whether Defendant failed to furnish Plaintiff and class members with accurate,
26 itemized wage statements; and
- 27 (g) Whether Defendant required Plaintiff and Class Members to incur business
28 expenses without reimbursing them.
- (h) Whether Defendant’s conduct was willful or reckless.

1 (i) Whether Defendant engaged in unfair business practices in violation of Business &
2 Professions Code §§ 17200, *et seq.*

3 23. There is a well-defined community of interest in this litigation and the Class is
4 readily ascertainable:

5 (a) Numerosity: The members of the Class are so numerous that joinder of all
6 members is impractical. Although the members of the Class are unknown
7 to Plaintiff at this time, on information and belief, the Class is estimated to
8 be greater than 100 individuals. The identity of the class members are
9 readily ascertainable by inspection of Defendant's employment and payroll
10 records.

11 (b) Typicality: The claims (or defenses, if any) of Plaintiff are typical of the
12 claims (or defenses, if any) of the Class because Defendant's failure to
13 comply with the provisions of California wage and hour laws entitled each
14 class member to similar pay, benefits and other relief. The injuries
15 sustained by Plaintiff are also typical of the injuries sustained by the Class
16 because they arise out of and are caused by Defendant's common course of
17 conduct as alleged herein.

18 (c) Adequacy: Plaintiff is qualified to, and will fairly and adequately represent
19 and protect the interests of all members of the Class because it is in her best
20 interest to prosecute the claims alleged herein to obtain full compensation
21 and penalties due to her and the Class. Plaintiff's attorneys, as proposed
22 class counsel, are competent and experienced in litigating large
23 employment class actions and are versed in the rules governing class action
24 discovery, certification and settlement. Plaintiff has incurred and,
25 throughout the duration of this action, will continue to incur attorneys' fees
26 and costs that have been and will be necessarily expended for the
27 prosecution of this action for the substantial benefit of each class member.
28

1 (d) Superiority: The nature of this action makes the use of class action
2 adjudication superior to other methods. A class action will achieve
3 economies of time, effort and expense as compared with separate lawsuits,
4 and will avoid inconsistent outcomes because the same issues can be
5 adjudicated in the same manner and at the same time for each Class. If
6 appropriate this Court can, and is empowered to, fashion methods to
7 efficiently manage this case as a class action.

8 (e) Public Policy Considerations: Employers in the State of California and
9 other states violate employment and labor laws every day. Current
10 employees are often afraid to assert their rights out of fear of direct or
11 indirect retaliation. Former employees are fearful of bringing actions
12 because they believe their former employers might damage their future
13 endeavors through negative references and/or other means. Class actions
14 provide the class members who are not named in the complaint with a
15 type of anonymity that allows for the vindication of their rights at the
16 same time as affording them privacy protections.

17 **GENERAL ALLEGATIONS**

18 24. At all relevant times mentioned herein, Defendant employed Plaintiff and other
19 persons as non-exempt employees.

20 25. Plaintiff was employed in a non-exempt position at Defendant's California
21 business location(s).

22 26. Defendant continues to employ non-exempt employees within California.

23 27. Plaintiff is informed and believes, and thereon alleges, that at all times herein
24 mentioned, Defendant was advised by skilled lawyers, employees and other professionals who
25 were knowledgeable about California's wage and hour laws, employment and personnel
26 practices and the requirements of California law.

27 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and Class Members were entitled to receive wages for all time

1 worked (including minimum wages and overtime wages) and that they were not receiving all
2 wages earned for work that was required to be performed. In violation of the Labor Code and
3 IWC Wage Orders, Plaintiff and Class Members were not paid all wages (including minimum
4 wages and overtime wages) for all hours worked at the appropriate rate.

5 29. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
6 should have known that Plaintiff and class members were entitled to receive all required meal
7 periods or payment of one (1) additional hour of pay at Plaintiff and class members' regular
8 rate of pay when they did not receive a timely meal period. In violation of the Labor Code and
9 IWC Wage Orders, Plaintiff and class members did not receive all timely meal periods or
10 payment of one (1) additional hour of pay at Plaintiff and class members' regular rate of pay
11 when they did not receive a timely meal period.

12 30. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
13 should have known that Plaintiff and class members were entitled to receive all rest breaks or
14 payment of one (1) additional hour of pay at Plaintiff and class members' regular rate of pay
15 when a rest break was missed. In violation of the Labor Code and IWC Wage Orders, Plaintiff
16 and class members did not receive all rest breaks or payment of one (1) additional hour of pay
17 at Plaintiff and class members' regular rate of pay when a rest break was missed.

18 31. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
19 should have known that Plaintiff and class members were entitled to receive itemized wage
20 statements that accurately showed their gross and net wages earned, inclusive dates of pay
21 periods, total hours worked and all applicable hourly rates in effect and the number of hours
22 worked at each hourly rate in accordance with California law. In violation of the Labor Code,
23 Plaintiff and class members were not provided with accurate itemized wage statements.

24 32. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
25 should have known that Plaintiff and Waiting Time Subclass members were entitled to timely
26 payment of wages due upon separation of employment. In violation of the Labor Code,
27 Plaintiff and Waiting Time Subclass members did not receive payment of all wages within
28 permissible time periods.

33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to reimbursement for necessary expenditures incurred in connection with the performance and execution of their job duties. In violation of the California Labor Code, Plaintiff and class members did not receive adequate reimbursement for necessary business expenses, including but not limited to reimbursement for use and depreciation of their personal vehicles, and for the purchase and procurement of Personal Protective Equipment (PPE) and cleaning supplies.

34. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or should have known they had a duty to compensate Plaintiff and class members, and Defendant had the financial ability to pay such compensation but willfully, knowingly and intentionally failed to do so all in order to increase Defendant's profits.

35. Therefore, Plaintiff brings this lawsuit seeking monetary and injunctive relief against Defendant on behalf of herself and all Class Members to recover, among other things, unpaid wages (including minimum wages and overtime wages), unpaid meal period premium payments, unpaid rest period premium payments, interest, attorneys' fees, penalties, costs, and expenses.

FIRST CAUSE OF ACTION

FAILURE TO PAY MINIMUM WAGES

(Violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197; Violation of IWC Wage Order)

36. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

37. Labor Code §§ 1194 and 1197 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

38. During the relevant time period, Defendants paid Plaintiff and Class Members less than minimum wages when they failed to pay proper compensation for all hours worked, including time worked during missed and/or interrupted meal periods and other off-the-clock

1 work. To the extent these hours do not qualify for the payment of overtime, Plaintiff and Class
2 Members were not being paid at least the lawful minimum wage for their work.

3 39. During the relevant time period, Defendants regularly failed to pay at least
4 minimum wage to Plaintiff and Class Members for all hours worked pursuant to Labor Code
5 §§ 1194 and 1197.

6 40. Defendants' failure to pay Plaintiff and Class Members the required minimum
7 wage violates Labor Code §§ 1194 and 1197. Pursuant to these sections, Plaintiff and Class
8 Members are entitled to recover the unpaid balance of their minimum wage compensation as
9 well as interest, costs, and attorneys' fees.

10 41. Pursuant to Labor Code § 1194.2, Plaintiff and Class Members are entitled to
11 recover liquidated damages in an amount equal to the wages unlawfully unpaid and the accrued
12 interest thereon.

13 **SECOND CAUSE OF ACTION**

14 **FAILURE TO PAY OVERTIME**

15 (Violation of Labor Code §§ 510, 1194, and 1198; Violation of IWC Wage Order § 3)

16 42. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
17 though fully set forth herein.

18 43. Labor Code § 1198 and the applicable IWC Wage Order provide that it is
19 unlawful to employ persons without compensating them at a rate of pay either one and one-half
20 (1½) or two (2) times the person's regular rate of pay, depending on the number of hours or
21 days worked by the person on a daily or weekly basis.

22 44. Specifically, the applicable IWC Wage Orders provide that Defendants are and
23 were required to pay overtime compensation to Plaintiff and Class Members at the rate of one
24 and one-half times (1½) their regular rate of pay when working and for all hours worked in
25 excess of eight (8) hours in a day or more than forty (40) hours in a workweek and for the first
26 eight (8) hours of work on the seventh day of work in a workweek.

27 45. The applicable IWC Wage Orders further provide that Defendants are and were
28 required to pay overtime compensation to Plaintiff and Class Members at a rate of two times

1 their regular rate of pay when working and for all hours worked in excess of twelve (12) hours
2 in a day or in excess of eight (8) hours on the seventh day of work in a workweek.

3 46. California Labor Code § 510 codifies the right to overtime compensation at one
4 and one-half (1½) times the regular hourly rate for hours worked in excess of eight (8) hours in
5 a day or forty (40) hours in a week and for the first eight (8) hours worked on the seventh
6 consecutive day of work, and overtime compensation at twice the regular hourly rate for hours
7 worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the
8 seventh day of work in a workweek.

9 47. Labor Code § 510 and the applicable IWC Wage Orders provide that
10 employment of more than six days in a workweek is only permissible if the employer pays
11 proper overtime compensation as set forth herein.

12 48. Plaintiff and Class Members were non-exempt employees entitled to the
13 protections of California Labor Code §§ 510 and 1194.

14 49. During the relevant time period, Defendants required Plaintiff and Class
15 Members to work in excess of eight (8) hours in a day, forty (40) hours in a week, and/or for a
16 seventh consecutive day in a workweek without paying Plaintiff and Class Members proper
17 overtime wages for their work.

18 50. During the relevant time period, Defendants failed to pay Plaintiff and Class
19 Members overtime wages for all overtime hours worked when Plaintiff and Class Members
20 worked in excess of eight (8) hours in a day, forty (40) hours in a week and/or for a seventh
21 consecutive day of work in a workweek, or when Plaintiff and Class Members worked in
22 excess of twelve (12) hours in a day and/or in excess of eight (8) hours on the seventh day of
23 work in a work week. Further, Plaintiff and Class Members were required to work through
24 meal periods without being compensated for these hours worked, which caused Plaintiff and
25 Class Members to not be paid the correct amount of overtime wages.

26 51. In violation of state law, Defendants knowingly and willfully refused to perform
27 their obligations and compensate Plaintiff and Class Members for all wages earned and all
28

1 hours worked, including, but not limited to time worked during missed and/or interrupted meal
2 periods as alleged above.

3 52. Defendants' failure to pay Plaintiff and Class Members the unpaid balance of
4 overtime and double time compensation, as required by California law, violates the provisions
5 of Labor Code §§ 510 and 1198, and is therefore unlawful.

6 53. Pursuant to Labor Code § 1194, Plaintiff and Class Members are entitled to
7 recover their unpaid overtime and double time compensation as well as interest, costs, and
8 attorneys' fees.

9 **THIRD CAUSE OF ACTION**

10 **FAILURE TO PROVIDE MEAL PERIODS**

11 **(Violation of Labor Code §§ 226.7 and 512; Violation of IWC Wage Order § 11)**

12 54. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
13 though fully set forth herein.

14 55. Labor Code § 226.7 provides that no employer shall require an employee to
15 work during any meal period mandated by the IWC Wage Orders.

16 56. Section 11 of the applicable IWC Wage Order states, "no employer shall employ
17 any person for a work period of more than five (5) hours without a meal period of not less than
18 30 minutes, except that when a work period of not more than six (6) hours will complete the
19 day's work the meal period may be waived by mutual consent of the employer and the
20 employee."

21 57. Labor Code § 512(a) provides that an employer may not require, cause or permit
22 an employee to work for a period of more than five (5) hours per day without providing the
23 employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if
24 the total work period per day of the employee is not more than six (6) hours, the meal period
25 may be waived by mutual consent of both the employer and the employee.

26 58. Labor Code § 512(a) also provides that an employer may not employ an
27 employee for a work period of more than ten (10) hours per day without providing the
28 employee with a second meal period of not less than thirty (30) minutes, except that if the total

1 hours worked is no more than twelve (12) hours, the second meal period may be waived by
2 mutual consent of the employer and the employee only if the first meal period was not waived.

3 59. During the relevant time period, Plaintiff and class members did not receive
4 compliant meal periods for each five hours worked per day.

5 60. Labor Code § 226.7(b) and section 11 of the applicable IWC Wage Order
6 require an employer to pay an employee one additional hour of pay at the employee's regular
7 rate of compensation for each work day that a meal period is not provided.

8 61. At all relevant times, Defendant failed to pay Plaintiff and class members meal
9 period premiums for meal period violations pursuant to Labor Code § 226.7(b) and section 11
10 of the applicable IWC Wage Order.

11 62. As a result of Defendant's failure to pay Plaintiff and class members an
12 additional hour of pay for each day a meal period was not provided, Plaintiff and class
13 members suffered and continue to suffer a loss of wages and compensation.

14 **FOURTH CAUSE OF ACTION**

15 **FAILURE TO PERMIT REST BREAKS**

16 **(Violation of Labor Code §§ 226.7; Violation of IWC Wage Order § 12)**

17 63. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
18 though fully set forth herein.

19 64. Labor Code § 226.7(a) provides that no employer shall require an employee to
20 work during any rest period mandated by the IWC Wage Orders.

21 65. Section 12 of the applicable IWC Wage Order states "every employer shall
22 authorize and permit all employees to take rest periods, which insofar as practicable shall be in
23 the middle of each work period" and the "authorized rest period time shall be based on the total
24 hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major
25 fraction thereof" unless the total daily work time is less than three and one-half (3½) hours.

26 66. During the relevant time period, Plaintiff and class members did not receive a
27 ten (10) minute rest period for every four (4) hours or major fraction thereof worked.
28

67. Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order requires an employer to pay an employee one additional hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

68. At all relevant times, Defendant failed to pay Plaintiff and class members rest period premiums for rest period violations pursuant to Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order.

69. As a result of Defendant's failure to pay Plaintiff and class members an additional hour of pay for each day a rest period was not provided, Plaintiff and class members suffered and continue to suffer a loss of wages and compensation.

FIFTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Violation of Labor Code § 226)

70. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

71. Labor Code § 226(a) requires Defendant to provide each employee with an accurate wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

72. During the relevant time period, Defendant has knowingly and intentionally failed to comply with Labor Code § 226(a) on wage statements that were provided to Plaintiff

1 and class members. The deficiencies include, among other things, the failure to correctly state
2 accurate inclusive dates of the pay period for Plaintiff and class members.

3 73. As a result of Defendant's violation of California Labor Code § 226(a), Plaintiff
4 and class members have suffered injury and damage to their statutorily protected rights.
5 Specifically, Plaintiff and class members have been injured by Defendant's intentional
6 violation of California Labor Code § 226(a) because they were denied both their legal right to
7 receive, and their protected interest in receiving, accurate itemized wage statements under
8 California Labor Code § 226(a). Plaintiff has had to file this lawsuit in order to determine the
9 extent of the underpayment of wages, thereby causing Plaintiff to incur expenses and lost time.
10 Plaintiff would not have had to engage in these efforts and incur these costs had Defendant
11 provided the accurate wages earned. This has also delayed Plaintiff's ability to demand and
12 recover the underpayment of wages from Defendant.

13 74. California Labor Code § 226(a) requires an employer to pay the greater of all
14 actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurred,
15 and one hundred dollars (\$100.00) per employee for each violation in subsequent pay periods,
16 plus attorney's fees and costs, to each employee who was injured by the employer's failure to
17 comply with California Labor Code § 226(a).

18 75. Defendant's violations of California Labor Code § 226(a) prevented Plaintiff
19 and class members from knowing, understanding and disputing the wages paid to them, and
20 resulted in an unjustified economic enrichment to Defendant. As a result of Defendant's
21 knowing and intentional failure to comply with California Labor Code § 226(a), Plaintiff and
22 class members have suffered an injury, and the exact amount of damages and/or penalties is all
23 in an amount to be shown according to proof at trial.

24 76. Plaintiff and class members are also entitled to injunctive relief under California
25 Labor Code § 226(h), compelling Defendant to comply with California Labor Code § 226, and
26 seek the recovery of attorneys' fees and costs incurred in obtaining this injunctive relief.

27 ///

28 ///

SIXTH CAUSE OF ACTION
FAILURE TO PAY ALL WAGES DUE UPON SEPARATION OF EMPLOYMENT AND
WITHIN THE REQUIRED TIME
(Violation of Labor Code §§ 201, 202 and 203)

77. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

78. California Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his employment, his wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his intention to quit, in which case the employee is entitled to his wages at the time of quitting.

79. During the relevant time period, Defendant willfully failed to pay Plaintiff and Waiting Time Subclass members all their earned wages upon termination including, but not limited to, proper minimum wages and overtime compensation, either at the time of discharge or within seventy-two (72) hours of their leaving Defendant's employ.

80. Defendant's failure to pay Plaintiff and Waiting Time Subclass members all their earned wages at the time of discharge or within seventy-two (72) hours of their leaving Defendant's employ is in violation of Labor Code §§ 201 and 202.

81. California Labor Code § 203 provides that if an employer willfully fails to pay wages owed immediately upon discharge or resignation in accordance with Labor Code §§ 201 and 202, then the wages of the employee shall continue as a penalty from the due date at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

82. Plaintiff and Waiting Time Subclass members are entitled to recover from Defendant the statutory penalty which is defined as Plaintiff's and Waiting Time Subclass members' regular daily wages for each day they were not paid, at their regular hourly rate of pay, up to a thirty (30) day maximum pursuant to Labor Code § 203.

1 **SEVENTH CAUSE OF ACTION**

2 **FAILURE TO REIMBURSE ALL BUSINESS EXPENSES**

3 (Violation of Labor Code §§ 2800, 2802)

4 83. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
5 though fully set forth herein.

6 84. Labor Code § 2800 states that an employer shall in all cases indemnify his
7 employee for losses.

8 85. Labor Code § 2802 requires employers to indemnify their employees for all
9 necessary expenditures or losses incurred by employees in direct consequence of the discharge
10 of their duties.

11 86. Section 9 of the applicable IWC Wage Order states that when tools or
12 equipment are required by the employer or are necessary to the performance of a job, such tools
13 and equipment shall be provided and maintained by the employer.

14 87. During the relevant time period, Defendants required Plaintiff and class
15 members to use their personal cellular devices for business purposes, without paying Plaintiff
16 and class members for a reasonable percentage of their cell phone bills, and required Plaintiff
17 and class members to incur gas expenses without reimbursement.

18 88. In violation of Labor Code §§ 2800 and 2802, Defendants failed to indemnify
19 Plaintiff and class members for these expenses.

20 89. In committing the violations as herein alleged, Defendants have intentionally
21 and willfully failed to fully reimburse Plaintiff and class members for necessary business-
22 related costs and expenses. As a direct result, Plaintiff and class members have suffered and
23 continue to suffer substantial losses relating to the use and enjoyment of such compensation,
24 wages, expenses, and attorney's fees.

25 **EIGHTH CAUSE OF ACTION**

26 **VIOLATION OF BUSINESS AND PROFESSIONS CODE §§ 17200, ET SEQ.**

27 90. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
28 though fully set forth herein.

1 91. Defendant's conduct, as alleged herein, has been and continues to be unfair,
2 unlawful and harmful to Plaintiff and class members. Plaintiff seek to enforce important rights
3 affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

4 92. Defendant's activities, as alleged herein, violate California law and constitute
5 unlawful business acts or practices in violation of California Business and Professions Code
6 §§ 17200, *et seq.*

7 93. A violation of Business and Professions Code §§ 17200, *et seq.* may be
8 predicated on the violation of any state or federal law.

9 94. Defendant's policies and practices have violated state law in at least the
10 following respects:

11 (a) Failing to pay all wages earned (including minimum wage and overtime
12 wages) to Plaintiff and Class Members in violation of Labor Code §§
13 510, 1182.12, 11194, 1194.2, 1197, and 1198.

14 (b) Failing to provide compliant meal periods without paying Plaintiff and
15 Class Members premium wages for every day said meal periods were not
16 provided in violation of Labor Code §§ 226.7 and 512.

17 (c) Failing to authorize or permit compliant rest breaks without paying
18 Plaintiff and Class Members premium wages for every day said rest
19 breaks were not authorized or permitted in violation of Labor Code §
20 226.7.

21 (d) Failing to provide Plaintiff and Class Members with accurate itemized
22 wage statements in violation of Labor Code § 226.

23 (e) Failing to timely pay all earned wages to the members of the Waiting
24 Time Subclass upon separation of employment in violation of Labor
25 Code §§ 201, 202, and 203.

26 (f) Failing to provide Plaintiff and Class Members with reimbursements for
27 necessary business expenses in violation of Labor Code § 2802.
28

1 95. As alleged herein, Defendants systematically engaged in unlawful conduct in
2 violation of the California Labor Code and IWC Wage Orders, such as failing to pay all wages
3 (minimum and overtime wages), failing to provide meal periods and rest breaks or
4 compensation in lieu thereof, failing to furnish accurate wage statements, failing to pay all
5 wages due and owing upon separation of employment in a timely manner, and failing to
6 reimburse business expenses, all in order to decrease their costs of doing business and increase
7 their profits.

8 96. At all relevant times herein, Defendants held themselves out to Plaintiff and
9 Class Members as being knowledgeable concerning the labor and employment laws of
10 California.

11 97. At all times relevant herein, Defendants intentionally avoided paying Plaintiff
12 and Class Members wages and monies, thereby creating for Defendants an artificially lower
13 cost of doing business in order to undercut their competitors and establish and/or gain a greater
14 foothold in the marketplace.

15 98. As a result of Defendants' intentional, willful, purposeful, and wrongful
16 misrepresentation of their conformance with the California Labor Code and IWC Wage Orders,
17 Plaintiff and Class Members suffered a loss of wages and monies, all in an amount to be shown
18 according to proof at trial.

19 99. By violating the foregoing statutes and regulations as herein alleged,
20 Defendants' acts constitute unfair and unlawful business practices under California Business
21 and Professions Code §§ 17200, et seq.

22 100. As a result of the unfair and unlawful business practices of Defendants, as
23 alleged herein, Plaintiff and Class Members are entitled to injunctive relief, disgorgement, and
24 restitution in an amount to be shown according to proof at trial.

25 101. Plaintiff seeks to enforce important rights affecting the public interest within the
26 meaning of California Code of Civil Procedure § 1021.5. Defendants' conduct, as alleged
27 herein, has been and continues to be unfair, unlawful, and harmful to Plaintiff, Class Members,
28 and the general public. Based on Defendants' conduct as alleged herein, Plaintiff and Class

Members are entitled to an award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5.

PRAYER FOR RELIEF

Plaintiff, on her own behalf and on behalf of all others similarly situated, pray for relief and judgment against Defendant, jointly and severally, as follows:

1. For certification of this action as a class action, including certifying the Class and Subclass alleged by Plaintiff;

2. For appointment of Betty Perez as the class representative;

1. For appointment of Aegis Law Firm, PC, as class counsel for all purposes;

2. For compensatory damages in an amount according to proof at trial;

3. For an award of damages in the amount of unpaid compensation including, but not limited to, unpaid wages, benefits, and penalties;

4. For economic and/or special damages in an amount according to proof at trial;

5. For liquidated damages pursuant to Labor Code § 1194.2;

6. For statutory penalties to the extent permitted by law, including those pursuant to the Labor Code and IWC Wage Orders;

7. For injunctive relief as provided by the California Labor Code and California Business and Professions Code §§ 17200, *et seq.*;

8. For restitution as provided by Business and Professions Code §§ 17200, *et seq.*;

9. For an order requiring Defendants to restore and disgorge all funds to each employee acquired by means of any act or practice declared by this Court to be unlawful, unfair, or fraudulent and, therefore, constituting unfair competition under Business and Professions Code §§ 17200, *et seq.*;

10. For pre-judgment interest;

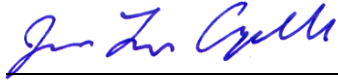
11. For reasonable attorneys' fees, costs of suit, and interest to the extent permitted by law, including, but not limited to, Code of Civil Procedure § 1021.5 and Labor Code §§ 226(e) and 1194; and

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12. For such other relief as the Court deems just and proper.

Dated: October 28, 2020

AEGIS LAW FIRM, PC

By: 

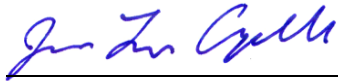
Jessica L. Campbell
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial with respect to all issues triable of right by jury.

Dated: October 28, 2020

AEGIS LAW FIRM, PC

By: 

Jessica L. Campbell
Attorneys for Plaintiff

COMPLETE THIS SECTION

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B. Received by (Printed Name) C. Date of Delivery

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 If YES, enter delivery address below: ☐ No

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| 3. Service Type
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☐ Insured Mail Restricted Delivery (over \$500) | ☐ Priority Mail Express®
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Aegis Law Firm
9811 Irvine Center Drive
Suite 100
Irvine, CA 92618

Re: v. LAFHC

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Agent for Service of Process for L.A. Family Housin
Corporation: Ross Winn
7843 Lankershim Blvd
North Hollywood CA 91605-2523



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Facsimile: 949.379.6251
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October 28, 2020

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Private Attorneys General Act (PAGA) – Filing

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Agent for Service of Process for L.A. Family Housing Corporation:
Ross Winn
1140 W. Olympic Blvd., 9th Floor
Los Angeles, CA 91605

Re: Betty Perez v. L.A. Family Housing Corporation

Dear Labor and Workforce Development Agency; L.A. Family Housing Corporation:

Please allow this correspondence to serve as written notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by L.A. Family Housing Corporation (“LAFHC”), and the facts and theories in support of said allegations. This firm represents Betty Perez (“Claimant”). We hereby notify you that Claimant intends to seek penalties against LAFHC under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on behalf of herself and all other aggrieved employees.

Specific Provisions of the California Labor Code Allegedly Violated by LAFHC

The specific provisions of the Labor Code allegedly violated by LAFHC include the following: §§ 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2800 and 2802.

Facts and Theories Supporting the Allegations Against LAFHC

Claimant and other aggrieved employees worked for LAFHC as non-exempt employees in California. Claimant was employed by LAFHC as a non-exempt employee in California within the past year. Claimant’s responsibilities included, among other things, coordinating housing transitions.

Throughout the course of Claimant’s employment, LAFHC failed to provide meal periods for each five hours of work to Claimant and other aggrieved employees as required by Labor Code Section 512 and section 11 of the applicable Wage Order. Claimant and other aggrieved employees

frequently worked shifts over five hours and did not receive lawful meal periods because they were interrupted during their meal periods, not provided coverage for meal periods, and/or were not allowed to take meal periods at the appropriate intervals. As a result, their meal periods were missed, late, short, and/or interrupted. When Claimant and other aggrieved employees suffered meal period violations, LAFHC violated Labor Code Sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees.

Additionally, throughout the course of Claimant's employment, LAFHC failed to authorize or permit ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked. Claimant and other aggrieved employees were not authorized to take their rest periods at the appropriate time intervals under LAFHC's policy and practice. When Claimant and other aggrieved employees did not receive rest breaks, LAFHC violated Labor Code Section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees.

Further, LAFHC failed to pay Claimant and other aggrieved employees at least the legal minimum wage or the applicable overtime wage for all hours worked (in violation of Labor Code sections 558, 1182.12, 1194, 1194.2, 1197, and 1198) due to LAFHC's policy and practice of requiring Claimant and aggrieved employees to work or remain on-duty while off-the-clock, such as through their meal periods and after clocking out without proper pay. To the extent such work entitled employees to pay at the legal minimum wage rate or at the overtime rate of pay, LAFHC failed to pay Claimant and other aggrieved the required wages for these hours. (in violation of Labor Code section sections 510, 1194, and 1198).

LAFHC also failed to reimburse aggrieved employees for all business expenses incurred for LAFHC's benefit, including requiring them to use purchase their own Personal Protective Equipment (PPE) and Cleaning Supplies and to use their own personal vehicles for business purposes, without compensating aggrieved employees for the reasonable wear and tear on their vehicles (in violation of Labor Code Sections 2800 and 2802).

As a result of, and in addition to, these actions, LAFHC violated Labor Code sections 226 and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, at least some paystubs contained the wrong total hours, and incorrect or incomplete hours and wages due to the above violations, among other issues.

Furthermore, LAFHC failed to properly pay all wages owed throughout Claimant and other aggrieved employees' employment and following the end of these workers' employment due to the violations above (in violation of Labor Code Sections 201-204, and 210). LAFHC further

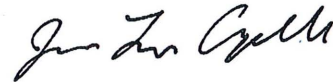
violated Labor Code Sections 1174 and 1174.5 by failing to maintain accurate and complete records due to the violations above.

Based on these violations, and any predicate violations subsequently discovered, Claimant seeks attorneys' fees, interest, and penalties under the Labor Code. Attached hereto and incorporated herein is the class action complaint Claimant intends to file on behalf of herself and all other aggrieved employees against LAFHC. Claimant intends to amend the complaint to include a cause of action pursuant to Labor Code §§ 2698, *et seq.*, after the minimum required review period elapses.

Thank you for your assistance on this issue. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very truly yours,

AEGIS LAW FIRM, PC

A handwritten signature in black ink, appearing to read "Jessica L. Campbell", written in a cursive style.

Jessica L. Campbell

Enclosure:
Class Action Complaint

AEGIS LAW FIRM, PC

SAMUEL A. WONG, State Bar No. 217104

KASHIF HAQUE, State Bar No. 218672

JESSICA L. CAMPBELL, State Bar No. 280626

ALEXANDER G.L. DAVIES, State Bar No. 328125

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Irvine, California 92618

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Email: jcampbell@aegislawfirm.com

adavies@aegislawfirm.com

Attorneys for Plaintiff Betty Perez,
individually and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

BETTY PEREZ, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

L.A. FAMILY HOUSING
CORPORATION; and DOES 1 through 20,
inclusive,

Defendant.

Case No.

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Overtime Wages;
3. Failure to Provide Meal Periods;
4. Failure to Permit Rest Breaks;
5. Failure to Provide Accurate Itemized Wage Statements;
6. Failure to Pay All Wages Due Upon Separation of Employment;
7. Failure to Reimburse Necessary Business Expenses; and
8. Violation of Business and Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff Betty Perez, individually and on behalf of others similarly situated, alleges as
2 follows:

3 **NATURE OF ACTION AND INTRODUCTORY STATEMENT**

4 1. Plaintiff Betty Perez (“Plaintiff”) brings this putative class action against
5 defendant L.A. Family Housing Corporation; and DOES 1 through 20, inclusive (collectively,
6 “Defendant”), on behalf of herself individually and a putative class of non-exempt employees
7 employed by Defendant throughout California.

8 2. Defendant is in the business of providing consumer assistance, homeless support
9 services, shelter, and volunteer opportunities.

10 3. Through this action, Plaintiff alleges that Defendant has engaged in a systematic
11 pattern of wage and hour violations under the California Labor Code and Industrial Welfare
12 Commission (“IWC”) Wage Orders, all of which contribute to Defendant’s deliberate unfair
13 competition.

14 4. Plaintiff is informed and believes, and thereon alleges, that Defendant has
15 increased their profits by violating state wage and hour laws by, among other things:

- 16 (a) Failing to pay all wages (including minimum wages and overtime wages);
17 (b) Failing to provide meal periods or compensation in lieu thereof;
18 (c) Failing to authorize or permit rest breaks or provide compensation in lieu thereof;
19 (d) Failing to provide accurate itemized wage statements;
20 (e) Failing to reimburse necessary business expenses; and
21 (f) Failing to pay all wages due upon separation of employment.

22 5. Plaintiff brings this lawsuit seeking monetary relief against Defendant on behalf
23 of herself and all others similarly situated in California to recover, among other things, unpaid
24 wages and benefits, interest, attorneys’ fees, costs and expenses and penalties pursuant to Labor
25 Code §§ 201-203, 204, 210, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800,
26 2802 and Code of California Civil Procedures § 1021.5.

27 ///

28 ///

13. Plaintiff is informed and believes, and thereon alleges, that each defendant acted in all respects pertinent to this action as the agent of the other defendant, carried out a joint scheme, business plan or policy in all respects pertinent hereto, and the acts of each defendant are legally attributable to the other defendant. Furthermore, defendant in all respects acted as the employer and/or joint employer of Plaintiff and the class members.

14. Plaintiff is informed and believes, and thereon alleges, that each and all of the acts and omissions alleged herein were performed by, or are attributable to, Defendant and/or DOES 1 through 20, acting as the agent or alter ego for the other, with legal authority to act on the other's behalf. The acts of any and all Defendant were in accordance with, and represent, the official policy of Defendant.

15. At all relevant times, Defendant, and each of them, acted within the scope of such agency or employment, or ratified each and every act or omission complained of herein. At all relevant times, Defendant, and each of them, aided and abetted the acts and omissions of each and all the other Defendant in proximately causing the damages herein alleged.

16. Plaintiff is informed and believes, and thereon alleges, that each of said Defendant is in some manner intentionally, negligently or otherwise responsible for the acts, omissions, occurrences and transactions alleged herein.

CLASS ACTION ALLEGATIONS

17. Plaintiff brings this action under Code of Civil Procedure § 382 on behalf of herself and all others similarly situated who were affected by Defendant's Labor Code, Business and Professions Code §§ 17200 and IWC Wage Order violations.

18. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

19. Plaintiff's proposed Class consists of and is defined as follows:

Class: All California citizens currently or formerly employed as non-exempt employees by Defendant in the State of California at any time between May 3, 2016¹ and the date of class certification.

¹ The statute of limitations for this matter was tolled between April 6, 2020 and October 1, 2020, pursuant to Cal. Rules of Court, Appendix I, Emergency Rule No. 9.

1 20. Plaintiff also seeks to certify the following Subclass of employees:

2 Waiting Time Subclass: All members of the Class who separated their
3 employment from Defendant at any time between May 3, 2017 and the date of
4 class certification.

5 21. Members of the Class and Subclass described above will be collectively referred
6 to as “class members.” Plaintiff reserves the right to establish other or additional subclasses, or
7 modify any Class or Subclass definition, as appropriate based on investigation, discovery and
8 specific theories of liability.

9 22. This action has been brought and may properly be maintained as a class action
10 under the California Code of Civil Procedure § 382 because there are common questions of law
11 and fact as to the Class that predominate over questions affecting only individual members
12 including, but not limited to:

- 13 (a) Whether Defendant failed to pay Plaintiff and Class Members all wages (including
14 minimum wages and overtime wages) for all hours worked by Plaintiff and Class
15 Members.
- 16 (b) Whether Defendants required Plaintiff and Class Members to work over eight
17 hours per day, over 12 hours per day, over 40 hours per week, and/or seven
18 consecutive days and failed to pay them overtime compensation at the proper rate.
- 19 (c) Whether Defendant deprived Plaintiff and class members of timely meal periods
20 without proper compensation;
- 21 (d) Whether Defendant deprived Plaintiff and class members of rest breaks without
22 proper compensation;
- 23 (e) Whether Defendant failed to timely pay Plaintiff and former class members all
24 wages due upon termination or within 72 hours of resignation;
- 25 (f) Whether Defendant failed to furnish Plaintiff and class members with accurate,
26 itemized wage statements; and
- 27 (g) Whether Defendant required Plaintiff and Class Members to incur business
28 expenses without reimbursing them.
- (h) Whether Defendant’s conduct was willful or reckless.

1 (i) Whether Defendant engaged in unfair business practices in violation of Business &
2 Professions Code §§ 17200, *et seq.*

3 23. There is a well-defined community of interest in this litigation and the Class is
4 readily ascertainable:

5 (a) Numerosity: The members of the Class are so numerous that joinder of all
6 members is impractical. Although the members of the Class are unknown
7 to Plaintiff at this time, on information and belief, the Class is estimated to
8 be greater than 100 individuals. The identity of the class members are
9 readily ascertainable by inspection of Defendant's employment and payroll
10 records.

11 (b) Typicality: The claims (or defenses, if any) of Plaintiff are typical of the
12 claims (or defenses, if any) of the Class because Defendant's failure to
13 comply with the provisions of California wage and hour laws entitled each
14 class member to similar pay, benefits and other relief. The injuries
15 sustained by Plaintiff are also typical of the injuries sustained by the Class
16 because they arise out of and are caused by Defendant's common course of
17 conduct as alleged herein.

18 (c) Adequacy: Plaintiff is qualified to, and will fairly and adequately represent
19 and protect the interests of all members of the Class because it is in her best
20 interest to prosecute the claims alleged herein to obtain full compensation
21 and penalties due to her and the Class. Plaintiff's attorneys, as proposed
22 class counsel, are competent and experienced in litigating large
23 employment class actions and are versed in the rules governing class action
24 discovery, certification and settlement. Plaintiff has incurred and,
25 throughout the duration of this action, will continue to incur attorneys' fees
26 and costs that have been and will be necessarily expended for the
27 prosecution of this action for the substantial benefit of each class member.
28

1 (d) Superiority: The nature of this action makes the use of class action
2 adjudication superior to other methods. A class action will achieve
3 economies of time, effort and expense as compared with separate lawsuits,
4 and will avoid inconsistent outcomes because the same issues can be
5 adjudicated in the same manner and at the same time for each Class. If
6 appropriate this Court can, and is empowered to, fashion methods to
7 efficiently manage this case as a class action.

8 (e) Public Policy Considerations: Employers in the State of California and
9 other states violate employment and labor laws every day. Current
10 employees are often afraid to assert their rights out of fear of direct or
11 indirect retaliation. Former employees are fearful of bringing actions
12 because they believe their former employers might damage their future
13 endeavors through negative references and/or other means. Class actions
14 provide the class members who are not named in the complaint with a
15 type of anonymity that allows for the vindication of their rights at the
16 same time as affording them privacy protections.

17 **GENERAL ALLEGATIONS**

18 24. At all relevant times mentioned herein, Defendant employed Plaintiff and other
19 persons as non-exempt employees.

20 25. Plaintiff was employed in a non-exempt position at Defendant's California
21 business location(s).

22 26. Defendant continues to employ non-exempt employees within California.

23 27. Plaintiff is informed and believes, and thereon alleges, that at all times herein
24 mentioned, Defendant was advised by skilled lawyers, employees and other professionals who
25 were knowledgeable about California's wage and hour laws, employment and personnel
26 practices and the requirements of California law.

27 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and Class Members were entitled to receive wages for all time

1 worked (including minimum wages and overtime wages) and that they were not receiving all
2 wages earned for work that was required to be performed. In violation of the Labor Code and
3 IWC Wage Orders, Plaintiff and Class Members were not paid all wages (including minimum
4 wages and overtime wages) for all hours worked at the appropriate rate.

5 29. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
6 should have known that Plaintiff and class members were entitled to receive all required meal
7 periods or payment of one (1) additional hour of pay at Plaintiff and class members' regular
8 rate of pay when they did not receive a timely meal period. In violation of the Labor Code and
9 IWC Wage Orders, Plaintiff and class members did not receive all timely meal periods or
10 payment of one (1) additional hour of pay at Plaintiff and class members' regular rate of pay
11 when they did not receive a timely meal period.

12 30. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
13 should have known that Plaintiff and class members were entitled to receive all rest breaks or
14 payment of one (1) additional hour of pay at Plaintiff and class members' regular rate of pay
15 when a rest break was missed. In violation of the Labor Code and IWC Wage Orders, Plaintiff
16 and class members did not receive all rest breaks or payment of one (1) additional hour of pay
17 at Plaintiff and class members' regular rate of pay when a rest break was missed.

18 31. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
19 should have known that Plaintiff and class members were entitled to receive itemized wage
20 statements that accurately showed their gross and net wages earned, inclusive dates of pay
21 periods, total hours worked and all applicable hourly rates in effect and the number of hours
22 worked at each hourly rate in accordance with California law. In violation of the Labor Code,
23 Plaintiff and class members were not provided with accurate itemized wage statements.

24 32. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or
25 should have known that Plaintiff and Waiting Time Subclass members were entitled to timely
26 payment of wages due upon separation of employment. In violation of the Labor Code,
27 Plaintiff and Waiting Time Subclass members did not receive payment of all wages within
28 permissible time periods.

33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to reimbursement for necessary expenditures incurred in connection with the performance and execution of their job duties. In violation of the California Labor Code, Plaintiff and class members did not receive adequate reimbursement for necessary business expenses, including but not limited to reimbursement for use and depreciation of their personal vehicles, and for the purchase and procurement of Personal Protective Equipment (PPE) and cleaning supplies.

34. Plaintiff is informed and believes, and thereon alleges, that Defendant knew or should have known they had a duty to compensate Plaintiff and class members, and Defendant had the financial ability to pay such compensation but willfully, knowingly and intentionally failed to do so all in order to increase Defendant's profits.

35. Therefore, Plaintiff brings this lawsuit seeking monetary and injunctive relief against Defendant on behalf of herself and all Class Members to recover, among other things, unpaid wages (including minimum wages and overtime wages), unpaid meal period premium payments, unpaid rest period premium payments, interest, attorneys' fees, penalties, costs, and expenses.

FIRST CAUSE OF ACTION

FAILURE TO PAY MINIMUM WAGES

(Violation of Labor Code §§ 1182.12, 1194, 1194.2, and 1197; Violation of IWC Wage Order)

36. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

37. Labor Code §§ 1194 and 1197 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

38. During the relevant time period, Defendants paid Plaintiff and Class Members less than minimum wages when they failed to pay proper compensation for all hours worked, including time worked during missed and/or interrupted meal periods and other off-the-clock

1 work. To the extent these hours do not qualify for the payment of overtime, Plaintiff and Class
2 Members were not being paid at least the lawful minimum wage for their work.

3 39. During the relevant time period, Defendants regularly failed to pay at least
4 minimum wage to Plaintiff and Class Members for all hours worked pursuant to Labor Code
5 §§ 1194 and 1197.

6 40. Defendants' failure to pay Plaintiff and Class Members the required minimum
7 wage violates Labor Code §§ 1194 and 1197. Pursuant to these sections, Plaintiff and Class
8 Members are entitled to recover the unpaid balance of their minimum wage compensation as
9 well as interest, costs, and attorneys' fees.

10 41. Pursuant to Labor Code § 1194.2, Plaintiff and Class Members are entitled to
11 recover liquidated damages in an amount equal to the wages unlawfully unpaid and the accrued
12 interest thereon.

13 **SECOND CAUSE OF ACTION**

14 **FAILURE TO PAY OVERTIME**

15 (Violation of Labor Code §§ 510, 1194, and 1198; Violation of IWC Wage Order § 3)

16 42. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
17 though fully set forth herein.

18 43. Labor Code § 1198 and the applicable IWC Wage Order provide that it is
19 unlawful to employ persons without compensating them at a rate of pay either one and one-half
20 (1½) or two (2) times the person's regular rate of pay, depending on the number of hours or
21 days worked by the person on a daily or weekly basis.

22 44. Specifically, the applicable IWC Wage Orders provide that Defendants are and
23 were required to pay overtime compensation to Plaintiff and Class Members at the rate of one
24 and one-half times (1½) their regular rate of pay when working and for all hours worked in
25 excess of eight (8) hours in a day or more than forty (40) hours in a workweek and for the first
26 eight (8) hours of work on the seventh day of work in a workweek.

27 45. The applicable IWC Wage Orders further provide that Defendants are and were
28 required to pay overtime compensation to Plaintiff and Class Members at a rate of two times

1 their regular rate of pay when working and for all hours worked in excess of twelve (12) hours
2 in a day or in excess of eight (8) hours on the seventh day of work in a workweek.

3 46. California Labor Code § 510 codifies the right to overtime compensation at one
4 and one-half (1½) times the regular hourly rate for hours worked in excess of eight (8) hours in
5 a day or forty (40) hours in a week and for the first eight (8) hours worked on the seventh
6 consecutive day of work, and overtime compensation at twice the regular hourly rate for hours
7 worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the
8 seventh day of work in a workweek.

9 47. Labor Code § 510 and the applicable IWC Wage Orders provide that
10 employment of more than six days in a workweek is only permissible if the employer pays
11 proper overtime compensation as set forth herein.

12 48. Plaintiff and Class Members were non-exempt employees entitled to the
13 protections of California Labor Code §§ 510 and 1194.

14 49. During the relevant time period, Defendants required Plaintiff and Class
15 Members to work in excess of eight (8) hours in a day, forty (40) hours in a week, and/or for a
16 seventh consecutive day in a workweek without paying Plaintiff and Class Members proper
17 overtime wages for their work.

18 50. During the relevant time period, Defendants failed to pay Plaintiff and Class
19 Members overtime wages for all overtime hours worked when Plaintiff and Class Members
20 worked in excess of eight (8) hours in a day, forty (40) hours in a week and/or for a seventh
21 consecutive day of work in a workweek, or when Plaintiff and Class Members worked in
22 excess of twelve (12) hours in a day and/or in excess of eight (8) hours on the seventh day of
23 work in a work week. Further, Plaintiff and Class Members were required to work through
24 meal periods without being compensated for these hours worked, which caused Plaintiff and
25 Class Members to not be paid the correct amount of overtime wages.

26 51. In violation of state law, Defendants knowingly and willfully refused to perform
27 their obligations and compensate Plaintiff and Class Members for all wages earned and all
28

1 hours worked, including, but not limited to time worked during missed and/or interrupted meal
2 periods as alleged above.

3 52. Defendants' failure to pay Plaintiff and Class Members the unpaid balance of
4 overtime and double time compensation, as required by California law, violates the provisions
5 of Labor Code §§ 510 and 1198, and is therefore unlawful.

6 53. Pursuant to Labor Code § 1194, Plaintiff and Class Members are entitled to
7 recover their unpaid overtime and double time compensation as well as interest, costs, and
8 attorneys' fees.

9 **THIRD CAUSE OF ACTION**

10 **FAILURE TO PROVIDE MEAL PERIODS**

11 **(Violation of Labor Code §§ 226.7 and 512; Violation of IWC Wage Order § 11)**

12 54. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
13 though fully set forth herein.

14 55. Labor Code § 226.7 provides that no employer shall require an employee to
15 work during any meal period mandated by the IWC Wage Orders.

16 56. Section 11 of the applicable IWC Wage Order states, "no employer shall employ
17 any person for a work period of more than five (5) hours without a meal period of not less than
18 30 minutes, except that when a work period of not more than six (6) hours will complete the
19 day's work the meal period may be waived by mutual consent of the employer and the
20 employee."

21 57. Labor Code § 512(a) provides that an employer may not require, cause or permit
22 an employee to work for a period of more than five (5) hours per day without providing the
23 employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if
24 the total work period per day of the employee is not more than six (6) hours, the meal period
25 may be waived by mutual consent of both the employer and the employee.

26 58. Labor Code § 512(a) also provides that an employer may not employ an
27 employee for a work period of more than ten (10) hours per day without providing the
28 employee with a second meal period of not less than thirty (30) minutes, except that if the total

1 hours worked is no more than twelve (12) hours, the second meal period may be waived by
2 mutual consent of the employer and the employee only if the first meal period was not waived.

3 59. During the relevant time period, Plaintiff and class members did not receive
4 compliant meal periods for each five hours worked per day.

5 60. Labor Code § 226.7(b) and section 11 of the applicable IWC Wage Order
6 require an employer to pay an employee one additional hour of pay at the employee's regular
7 rate of compensation for each work day that a meal period is not provided.

8 61. At all relevant times, Defendant failed to pay Plaintiff and class members meal
9 period premiums for meal period violations pursuant to Labor Code § 226.7(b) and section 11
10 of the applicable IWC Wage Order.

11 62. As a result of Defendant's failure to pay Plaintiff and class members an
12 additional hour of pay for each day a meal period was not provided, Plaintiff and class
13 members suffered and continue to suffer a loss of wages and compensation.

14 **FOURTH CAUSE OF ACTION**

15 **FAILURE TO PERMIT REST BREAKS**

16 **(Violation of Labor Code §§ 226.7; Violation of IWC Wage Order § 12)**

17 63. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
18 though fully set forth herein.

19 64. Labor Code § 226.7(a) provides that no employer shall require an employee to
20 work during any rest period mandated by the IWC Wage Orders.

21 65. Section 12 of the applicable IWC Wage Order states "every employer shall
22 authorize and permit all employees to take rest periods, which insofar as practicable shall be in
23 the middle of each work period" and the "authorized rest period time shall be based on the total
24 hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major
25 fraction thereof" unless the total daily work time is less than three and one-half (3½) hours.

26 66. During the relevant time period, Plaintiff and class members did not receive a
27 ten (10) minute rest period for every four (4) hours or major fraction thereof worked.
28

67. Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order requires an employer to pay an employee one additional hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided.

68. At all relevant times, Defendant failed to pay Plaintiff and class members rest period premiums for rest period violations pursuant to Labor Code § 226.7(b) and section 12 of the applicable IWC Wage Order.

69. As a result of Defendant's failure to pay Plaintiff and class members an additional hour of pay for each day a rest period was not provided, Plaintiff and class members suffered and continue to suffer a loss of wages and compensation.

FIFTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Violation of Labor Code § 226)

70. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

71. Labor Code § 226(a) requires Defendant to provide each employee with an accurate wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

72. During the relevant time period, Defendant has knowingly and intentionally failed to comply with Labor Code § 226(a) on wage statements that were provided to Plaintiff

1 and class members. The deficiencies include, among other things, the failure to correctly state
2 accurate inclusive dates of the pay period for Plaintiff and class members.

3 73. As a result of Defendant's violation of California Labor Code § 226(a), Plaintiff
4 and class members have suffered injury and damage to their statutorily protected rights.
5 Specifically, Plaintiff and class members have been injured by Defendant's intentional
6 violation of California Labor Code § 226(a) because they were denied both their legal right to
7 receive, and their protected interest in receiving, accurate itemized wage statements under
8 California Labor Code § 226(a). Plaintiff has had to file this lawsuit in order to determine the
9 extent of the underpayment of wages, thereby causing Plaintiff to incur expenses and lost time.
10 Plaintiff would not have had to engage in these efforts and incur these costs had Defendant
11 provided the accurate wages earned. This has also delayed Plaintiff's ability to demand and
12 recover the underpayment of wages from Defendant.

13 74. California Labor Code § 226(a) requires an employer to pay the greater of all
14 actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurred,
15 and one hundred dollars (\$100.00) per employee for each violation in subsequent pay periods,
16 plus attorney's fees and costs, to each employee who was injured by the employer's failure to
17 comply with California Labor Code § 226(a).

18 75. Defendant's violations of California Labor Code § 226(a) prevented Plaintiff
19 and class members from knowing, understanding and disputing the wages paid to them, and
20 resulted in an unjustified economic enrichment to Defendant. As a result of Defendant's
21 knowing and intentional failure to comply with California Labor Code § 226(a), Plaintiff and
22 class members have suffered an injury, and the exact amount of damages and/or penalties is all
23 in an amount to be shown according to proof at trial.

24 76. Plaintiff and class members are also entitled to injunctive relief under California
25 Labor Code § 226(h), compelling Defendant to comply with California Labor Code § 226, and
26 seek the recovery of attorneys' fees and costs incurred in obtaining this injunctive relief.

27 ///

28 ///

SIXTH CAUSE OF ACTION
FAILURE TO PAY ALL WAGES DUE UPON SEPARATION OF EMPLOYMENT AND
WITHIN THE REQUIRED TIME
(Violation of Labor Code §§ 201, 202 and 203)

77. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.

78. California Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his employment, his wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his intention to quit, in which case the employee is entitled to his wages at the time of quitting.

79. During the relevant time period, Defendant willfully failed to pay Plaintiff and Waiting Time Subclass members all their earned wages upon termination including, but not limited to, proper minimum wages and overtime compensation, either at the time of discharge or within seventy-two (72) hours of their leaving Defendant's employ.

80. Defendant's failure to pay Plaintiff and Waiting Time Subclass members all their earned wages at the time of discharge or within seventy-two (72) hours of their leaving Defendant's employ is in violation of Labor Code §§ 201 and 202.

81. California Labor Code § 203 provides that if an employer willfully fails to pay wages owed immediately upon discharge or resignation in accordance with Labor Code §§ 201 and 202, then the wages of the employee shall continue as a penalty from the due date at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

82. Plaintiff and Waiting Time Subclass members are entitled to recover from Defendant the statutory penalty which is defined as Plaintiff's and Waiting Time Subclass members' regular daily wages for each day they were not paid, at their regular hourly rate of pay, up to a thirty (30) day maximum pursuant to Labor Code § 203.

1 **SEVENTH CAUSE OF ACTION**

2 **FAILURE TO REIMBURSE ALL BUSINESS EXPENSES**

3 (Violation of Labor Code §§ 2800, 2802)

4 83. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
5 though fully set forth herein.

6 84. Labor Code § 2800 states that an employer shall in all cases indemnify his
7 employee for losses.

8 85. Labor Code § 2802 requires employers to indemnify their employees for all
9 necessary expenditures or losses incurred by employees in direct consequence of the discharge
10 of their duties.

11 86. Section 9 of the applicable IWC Wage Order states that when tools or
12 equipment are required by the employer or are necessary to the performance of a job, such tools
13 and equipment shall be provided and maintained by the employer.

14 87. During the relevant time period, Defendants required Plaintiff and class
15 members to use their personal cellular devices for business purposes, without paying Plaintiff
16 and class members for a reasonable percentage of their cell phone bills, and required Plaintiff
17 and class members to incur gas expenses without reimbursement.

18 88. In violation of Labor Code §§ 2800 and 2802, Defendants failed to indemnify
19 Plaintiff and class members for these expenses.

20 89. In committing the violations as herein alleged, Defendants have intentionally
21 and willfully failed to fully reimburse Plaintiff and class members for necessary business-
22 related costs and expenses. As a direct result, Plaintiff and class members have suffered and
23 continue to suffer substantial losses relating to the use and enjoyment of such compensation,
24 wages, expenses, and attorney's fees.

25 **EIGHTH CAUSE OF ACTION**

26 **VIOLATION OF BUSINESS AND PROFESSIONS CODE §§ 17200, ET SEQ.**

27 90. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as
28 though fully set forth herein.

1 91. Defendant's conduct, as alleged herein, has been and continues to be unfair,
2 unlawful and harmful to Plaintiff and class members. Plaintiff seek to enforce important rights
3 affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

4 92. Defendant's activities, as alleged herein, violate California law and constitute
5 unlawful business acts or practices in violation of California Business and Professions Code
6 §§ 17200, *et seq.*

7 93. A violation of Business and Professions Code §§ 17200, *et seq.* may be
8 predicated on the violation of any state or federal law.

9 94. Defendant's policies and practices have violated state law in at least the
10 following respects:

11 (a) Failing to pay all wages earned (including minimum wage and overtime
12 wages) to Plaintiff and Class Members in violation of Labor Code §§
13 510, 1182.12, 11194, 1194.2, 1197, and 1198.

14 (b) Failing to provide compliant meal periods without paying Plaintiff and
15 Class Members premium wages for every day said meal periods were not
16 provided in violation of Labor Code §§ 226.7 and 512.

17 (c) Failing to authorize or permit compliant rest breaks without paying
18 Plaintiff and Class Members premium wages for every day said rest
19 breaks were not authorized or permitted in violation of Labor Code §
20 226.7.

21 (d) Failing to provide Plaintiff and Class Members with accurate itemized
22 wage statements in violation of Labor Code § 226.

23 (e) Failing to timely pay all earned wages to the members of the Waiting
24 Time Subclass upon separation of employment in violation of Labor
25 Code §§ 201, 202, and 203.

26 (f) Failing to provide Plaintiff and Class Members with reimbursements for
27 necessary business expenses in violation of Labor Code § 2802.
28

1 95. As alleged herein, Defendants systematically engaged in unlawful conduct in
2 violation of the California Labor Code and IWC Wage Orders, such as failing to pay all wages
3 (minimum and overtime wages), failing to provide meal periods and rest breaks or
4 compensation in lieu thereof, failing to furnish accurate wage statements, failing to pay all
5 wages due and owing upon separation of employment in a timely manner, and failing to
6 reimburse business expenses, all in order to decrease their costs of doing business and increase
7 their profits.

8 96. At all relevant times herein, Defendants held themselves out to Plaintiff and
9 Class Members as being knowledgeable concerning the labor and employment laws of
10 California.

11 97. At all times relevant herein, Defendants intentionally avoided paying Plaintiff
12 and Class Members wages and monies, thereby creating for Defendants an artificially lower
13 cost of doing business in order to undercut their competitors and establish and/or gain a greater
14 foothold in the marketplace.

15 98. As a result of Defendants' intentional, willful, purposeful, and wrongful
16 misrepresentation of their conformance with the California Labor Code and IWC Wage Orders,
17 Plaintiff and Class Members suffered a loss of wages and monies, all in an amount to be shown
18 according to proof at trial.

19 99. By violating the foregoing statutes and regulations as herein alleged,
20 Defendants' acts constitute unfair and unlawful business practices under California Business
21 and Professions Code §§ 17200, et seq.

22 100. As a result of the unfair and unlawful business practices of Defendants, as
23 alleged herein, Plaintiff and Class Members are entitled to injunctive relief, disgorgement, and
24 restitution in an amount to be shown according to proof at trial.

25 101. Plaintiff seeks to enforce important rights affecting the public interest within the
26 meaning of California Code of Civil Procedure § 1021.5. Defendants' conduct, as alleged
27 herein, has been and continues to be unfair, unlawful, and harmful to Plaintiff, Class Members,
28 and the general public. Based on Defendants' conduct as alleged herein, Plaintiff and Class

Members are entitled to an award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5.

PRAYER FOR RELIEF

Plaintiff, on her own behalf and on behalf of all others similarly situated, pray for relief and judgment against Defendant, jointly and severally, as follows:

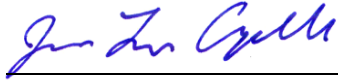
1. For certification of this action as a class action, including certifying the Class and Subclass alleged by Plaintiff;
2. For appointment of Betty Perez as the class representative;
1. For appointment of Aegis Law Firm, PC, as class counsel for all purposes;
2. For compensatory damages in an amount according to proof at trial;
3. For an award of damages in the amount of unpaid compensation including, but not limited to, unpaid wages, benefits, and penalties;
4. For economic and/or special damages in an amount according to proof at trial;
5. For liquidated damages pursuant to Labor Code § 1194.2;
6. For statutory penalties to the extent permitted by law, including those pursuant to the Labor Code and IWC Wage Orders;
7. For injunctive relief as provided by the California Labor Code and California Business and Professions Code §§ 17200, *et seq.*;
8. For restitution as provided by Business and Professions Code §§ 17200, *et seq.*;
9. For an order requiring Defendants to restore and disgorge all funds to each employee acquired by means of any act or practice declared by this Court to be unlawful, unfair, or fraudulent and, therefore, constituting unfair competition under Business and Professions Code §§ 17200, *et seq.*;
10. For pre-judgment interest;
11. For reasonable attorneys' fees, costs of suit, and interest to the extent permitted by law, including, but not limited to, Code of Civil Procedure § 1021.5 and Labor Code §§ 226(e) and 1194; and

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12. For such other relief as the Court deems just and proper.

Dated: October 28, 2020

AEGIS LAW FIRM, PC

By: 

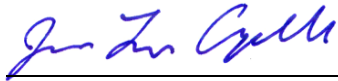
Jessica L. Campbell
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial with respect to all issues triable of right by jury.

Dated: October 28, 2020

AEGIS LAW FIRM, PC

By: 

Jessica L. Campbell
Attorneys for Plaintiff

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OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

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return the card to you.

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L.A. Family Housing
ration: Ross Winn
lympic Blvd., 9th Floor
ngeles, CA 91605



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Transfer from service label)

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July 2015 PSN 7530-02-000-9053

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A. Signature

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☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

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Irvine, CA 92618

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Center Drive, Suite 100
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Agent for L.A. Family Housing Corporation:
Ross Winn
1140 W. Olympic Blvd. Floor 9
Los Angeles CA 90015

EXHIBIT 4

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1. I am a resident of the United States of America and am over the age of 21. I am the Vice President of Sales for ILYM Group, Inc., (herein after referred to as “ILYM”), a professional class action services provider. I am preparing this declaration at the request of Plaintiff’s Counsel. I have personal knowledge of the facts herein, and, if called upon to testify, I could and would testify competently to such facts.

3. ILYM Group has never had any financial interests in nor affiliation with the parties or counsel in the *Carroll v. LA Family Housing LLC* matter.

5. Upon appointment, ILYM Group will provide a mailing address and toll-free telephone number to receive correspondence and inquiries from class members. After receiving the class

1 data file from Defendant, that should contain the class members' names, last known addresses,
2 and social security numbers, ILYM Group will upload the data into our database and check for
3 duplicates and other possible discrepancies.

4 6. As part of the preparation for mailing the class notice, ILYM Group will process class
5 members' names and addresses against the National Change of Address ("NCOA") database,
6 maintained by the United States Postal Service ("USPS"), for the purpose of updating and
7 confirming the mailing addresses of the class members before mailing of the class notice. To the
8 extent an updated address is found in the NCOA database, ILYM Group will use the updated
9 address for mailing the class notice. If ILYM Group does not locate an updated address in the
10 NCOA database, it will use the original address provided by Defendant for mailing the class
11 notice.

12 7. Should any class notices be returned to ILYM Group's office as undeliverable, ILYM
13 Group will attempt to locate an updated address using the NCOA database and/or other skip
14 trace efforts and will promptly remail the class notice.

15 8. Prior to sending out the notice, ILYM Group will fill in the specific date for the
16 deadline so that all class members will be apprised of exactly when all applicable forms will be
17 due. Depending on the deadlines set by the Court, i.e., 45-day Notice period to opt-out, dispute
18 or file an objection. At the expiration of the deadline, ILYM Group will inform all parties as to
19 the number and name of those individuals who filed a timely opt-out, dispute or objection.

20 9. ILYM Group's Disbursement Process will include but not limited to; (a) applying for
21 case EIN; (b) establishing Qualified Settlement Fund ((QSF) Escrow Account), with
22 administering tasks including but limited to overview and reconciliation of account; (c)
23 calculating the individual settlement amounts; (d) preparing, administering and distributing
24 settlement award checks to the Participating Class Members, including necessary tax forms (W2
25 and/or 1099); (e) calculating and withholding all applicable state and federal taxes; and (f)
26 performing other such duties as the Parties and/or the Courts direct. The above services are
27 included in ILYM Group's initial quote. Attached hereto, as **Exhibit C**, is a true and correct
28 copy of ILYM Group's estimated quote for this matter.

1 10. ILYM Group's fees associated with the administration of this settlement are
2 estimated at: \$13,806.70.

3 I declare, under penalty of perjury under the laws of the State of California that the
4 foregoing is true and correct. Executed this 29th day of September 2021, at Tustin, California.

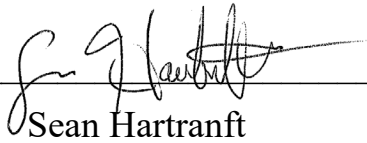
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EXHIBIT “A”

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Overview of Our Firm:

ILYM Group, Inc is a class action administration, legal notification and direct media outlets firm. With over 20 years of combined experience, our primary commitments are to client satisfaction, cutting edge technology and data management security, seamless case management and delivery of case expectations. Because, of our adherence to these commitments, ILYM Group, Inc is a one of the fastest growing, Woman Owned Business (NAPW), in the industry and has become the go-to firm for class action administration and legal notification. ILYM Group, Inc works with the top defense and plaintiff firms across the United States.

AREAS OF EXPERTISE:

- Wage and Hour
- FLSA
- Insurance and Health Care
- Consumer
- Finance
- Employment and Labor
- TCPA
- Antitrust
- Securities

Malta vs. Wells Fargo Home Mortgage Inc.

- TCPA Case with a class size of 5,200,000.

John Lofton, et al. v. Collecto, Inc.

- TCPA Case with a class size of 207,036.

Blaise Picchi et al., vs. World Financial Network Bank, et al.

- TCPA Case with a class size of 856,507. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.21% that did not have a valid address associated with the contact record.

Jacqueline Jones vs. I.Q. Data International, Inc.

- TCPA Case with a class size of 93,993. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.82% of the Class that did not have a name or address.

Reza Barani vs. Wells Fargo Bank, N.A.

- TCPA Case with a class size of 82,874. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 87.84% of the Class that did not have a name or address.

Kimberly Roberts, et al. v. T.J. Maxx of CA, LLC, et al.

- Wage & Hour Case with a class size of 82,549.

Robert Stone, et al. v. Universal Protection Services, LP, et al.

- Wage & Hour Case with a class size of 75,351.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

ILYM Group, Inc. is operational 24/7 delivering true client and class member availability. Our call center is open 24/7/365 days a year, even holidays and is full digital, automated and multilingual. ILYM Group Inc.'s mail and media center is a state-of-the-art facility, fully digital and USPS integrated. We can accommodate cases of any size, from ten class members to multi-millions. ILYM Group, Inc. prides itself on its commitment to service, quality, value pricing and availability. We've committed ourselves to being the best Class Action Administration and Notification Company in our industry. Through our years of experience, ILYM Group, Inc. is dedicated to exceeding our client's expectations.

PRE-SETTLEMENT CONSULTATION

- **Administration Consultation:** Meeting to determine objectives and expectations by both parties. All reporting and responsibilities will be agreed upon as will the seamless process to access data. We will also discuss the opportunities to identify class members with the proposed print and web-based media for optimum reach. Additionally, all expectations and delivery of those results will be planned for and mapped accordingly.

MAILING AND NOTIFICATION

- **Fulfillment and Correspondence:** All provided settlement information will be published via United States Postal Service (USPS first class standards) to the proposed mailing class. Notifications will include a Claim ID and how to respond, or Opt-Out, based on the stipulations.
- **Reverse Lookup:** A confidential reverse phone or reverse cell lookup will provide; owner's name, location, address history, carrier, phone type (landline or cell phone) and more. Our reverse lookup is powered by an extensive database which includes hundreds of millions of cell phone, landline, residential and unlisted number. Our software collects data from multiple data sources and carriers across the US. Our average "hit ratio" ranges from 93% - 98%.
- **Creating Class Database:** All Data is verified and filtered to eliminate duplication against the United States Postal Service (USPS) National Change of Address (NCOA) database. ILYM Group, Inc. will also certify and validate with the Coding Accuracy Support System (CASS) and Track Your Class (TYC) for zone delivery.
- **Claim Forms:** ILYM Group, Inc. will email all claim forms, whenever possible, to have accurate reporting and tracking of all class requests. Emails will contain full text claim forms.
- **Translations:** When needed, ILYM Group, Inc. will translate notices to any language needed to reach Class members.
- **Remails:** Returned mail will be scanned, re-verified and re-mailed. All returned mail is data warehoused and reported to both parties' counsels in a weekly report.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

MEDIA & INTERNET BANNER ADS

Notice Publication

- **Legal Notices:** ILYM Group, Inc. can provide a Media Proposal to maximize reach based on quantitative and qualitative methodologies.
- **Electronic Publication (Banner Ads):** ILYM Group, Inc. will utilize Internet Banner Noticing efforts and web technologies for maximum reach via the World Wide Web.
- **Electronic Mail Notices:** ILYM Group, Inc. can email an estimated number of class members a full text notice. We are compliant with all search engines and Internet Service Providers (ISP) so that our emails are always “White List” accepted with minimal returns.
- **Reach:** Every case has its own proposed reach and exposure percentage. We filter, verify and scrub the data to improve reach results.
- **Services Included:** Analysis, Documentation, Research and Methodologies, Execution and Reporting.

PROJECT MANAGEMENT

- **Case Notification, Maintenance and Management:** ILYM Group, Inc.’s Senior Project Managers will provide all Account Management, Pre-Consultation to Case Conclusion, Reporting and Claims Processing. Design, negotiation and implementation, upon approval, of all forms and notices, all distribution reporting and filings with the court.
- **Claims Processing:** All claims can be submitted by USPS, Internet, Fax, and Email or Online submission. Claims will be processed and recorded with matching ILYM database ID’s. E-claims will have corresponding records of intake. All deficient claims will be notified via USPS and make provisions for class member to re-submit claims.
- **Call Center:** ILYM Group, Inc. will support class members with a toll-free number to get the most up-to-date case settlement information. Customer service representatives will be available 24/7/365 as will recorded messages. All class members are given the options to best serve their needs and to receive case information.
- **Internet Support:** Class members can log on to a provided website and view, print or submit information and claim forms regarding the settlement. Frequently Asked Questions (FAQ’s) will be provided as well. Class members may download the claim form with mailing and fax instructions provided on the form.
- **Objection and Request for Exclusion:** All objections and request for exclusion, opt-out, will be data warehoused, dated and reported. Postmarks will serve for exclusion dating and will be forwarded to both counsels’ no more than 5 days post submission. Objection will be reviewed by ILYM Group, Inc. to determine the timeliness and basis of the objection. All information will be forwarded to both parties counsel, along with any representation information from the class member, within 5 days.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

DATA ADMINISTRATION AND NETWORK SECURITY

- **Network Security:** All provided data is encrypted, stored and hosted in a Tier 4, SAS70 certified environment.
- **Database Administration:** To be developed with all electronically provided data. Class members will be assigned ILYM Group, Inc. internal tracking ID's to ensure all collected member data coincides with all received claims.

DISTRIBUTION AND SETTLEMENT FUNDING

- **Distribution and Management:** Upon receipt of settlement funds, ILYM Group, Inc. will open a QSF Account for proceeds of the Gross Settlement Payment. The deposited funds will then be managed per the Settlement Agreement. All funds will be settled with class members and counsel along with all federal and state income tax reporting.
- **Check Printing and Mailing:** Claims processed, quantified and approved by clients, will be processed for distribution. All checks will be printed and mailed via USPS first class standards. ILYM Group, Inc. will reissue checks in accordance with the Settlement Agreement.
- **Preparation, Filing and Reporting of Taxes:** ILYM Group, Inc. will ensure taxes are filed in accordance to all federal, state and local employment tax returns. All taxes associated with the settlement will be paid on time to tax authorities. All filings and returns (e.g., 1099s, W-2s, etc.) will be done properly and timely with the appropriate authorities. All QSF steps and obligations with federal, state and/or local law will be followed.

CASE CONCLUSION

- **Data Manager Final Report:** All database and electronic documentation will be sent in reports weekly and at the conclusion of the Administration engagement. Call center activity, e-claims, mailed, and faxed claims will be included in all reporting.
- **Project Manager Final Report:** All case and class related information will be provided on a weekly basis and at the conclusion of the Administration engagement. Mailing and media final analysis, exclusions, objections, and all other claims processing outcomes, status reports and final court documentations will be included.
- **Affidavits:** ILYM Group, Inc. will provide all affidavits in support of analysis and media reach, final approvals and settlement. Expert Testimony and Media Methodologies will be determined.
- **Document Retention:** Unless otherwise directed, ILYM Group, Inc. will destroy all undeliverable notices on the effective date of the settlement or when the case is no longer subject to appeal. ILYM Group, Inc. will correspond for one year after the final distribution or until the case is no longer subject to appeal.

EXHIBIT “B”

ILYM GROUP Security Summary – White Paper

ILYM Group, in conjunction with our security and Information technology vendors, is committed to the continued security of all data handled on behalf of our client base. We at ILYM ensure that this data security is enforced in a number of ways including, but not limited to, clean desk policies, security training, and implementation of industry best practices that allow our data to be compliant with relevant industry standard security compliance levels. These enforced practices and policies allow us to ensure, to the best of our ability, that all ILYM and client data is protected as best as possible from unauthorized access, is kept secure and private, and is accessible only by authorized parties if/when needed or appropriate purposes. We at ILYM, our security vendors, and our Information Technology vendors all also undergo continued training to ensure that all best practices in compliance are kept as up to date as possible for continued data security.

ILYM also ensures client access data is only used when needed and that client data is only accessed/available to be accessed by those that need to and are trained to do so. Also, access to class member data is limited per role to what information is needed to perform said role so that class member info, and subsets of class member info, is not available unless it is explicitly needed, employee, vendors, and contractors alike. ILYM also ensures client data security by thoroughly vetting employees, vendors, and contractors before employment by way of checking references, industry experience, and, for those eligible for employment, doing background checks. Any employee, vendor, or contractor that does not meet proper requirements will not be eligible to work with ILYM Group.

ILYM follows the below best practices to ensure that all ILYM/Client data is properly secured:

- All data transmitted to/from clients encrypted with SSL or comparable encryption scheme
- All email communications protected via email encryption using SSL or comparable encryption scheme
- Data Loss Prevention, intrusion prevention, and user risk management facilities used to safeguard data leakage and/or unauthorized access to cloud or local data.
- Access to client/class member data, and subsets of client data, in cloud and locally is controlled by Role based access
- Strong passwords are in use for cloud, local, and VPN access
- 2fa is in use for all users for Cloud access and for cloud/local/VPN access for needed employees
- All devices used to store Client/Class member data are encrypted and/or have physical security in place to prevent data from being removed
- Office employs physical security to safeguard assets/data
- Identity and access management in place
- Discipline policy in place for violating of security/clean desk policies
- Terminated employees, vendors, or contractors access immediately severed on departure
- Antivirus, persistent threat monitoring, IPS/IDS, layer 7 firewalling, GeoBlocking, etc.. in use to protect all devices local and external
- All software and hardware (drivers, etc...) updated on proper schedule as per vendors requirements. OOB patches handled with automation
- Business continuity and Disaster recovery plans written

EXHIBIT “C”

Case Name: Carroll v. LA Family Housing LLC

Friday, May 7, 2021

Requesting Attorneys Name:	Roman Shkodnik
E-Mail	Roman@yeremianlaw.com
ILYM Contact	Sean Hartranft
E-Mail	Sean@ilymgrouppclassaction.com
Contact Number	949.690.2564

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	670
Estimated Percentage of Undeliverable Mail	20%
NCOA	Yes
Certified Spanish Translation	Yes
Case Duration (Years)	1

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	3	\$450.00
Programming of Class Database	Hourly	\$175.00	3	\$525.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$975.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	7	\$840.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	4	\$280.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	5	\$350.00
NCOA	Flat Fee	\$150.00	1	\$150.00
Toll-Free Call Center	Flat Fee	\$225.00	1	\$225.00
Static Website, Includes Hosting	Flat Fee	\$750.00	1	\$750.00
Weekly Reports	Flat Fee	\$500.00	1	Waived

Subtotal \$2,735.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING

Fulfillment of Notices, English & Spanish	Per Piece	\$2.00	670	\$1,340.00
USPS First Class 1oz Postage	Per Piece	\$0.55	670	\$368.50
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$2.55	134	\$341.70
Storage, Photocopies, Deliveries	Flat Fee	\$250.00	1	\$250.00

Subtotal \$2,300.20

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)

Distribution Setup & Management	Hourly	\$150.00	5	\$750.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	5	\$625.00
Two Checks, Release and Stub W2/1099	Per Check	\$1.50	670	\$1,005.00
USPS First Class 1oz Postage	Per Piece	\$0.55	670	\$368.50
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$2.00	134	\$268.00
Preparation of Taxes*	Hourly	\$120.00	14	\$1,680.00
Annual Filing of Tax Return*	Per Year	\$1,500.00	1	\$1,500.00

***Additional Bank fees may apply*

**Additional Taxes may apply if the 2nd check mailing occurs in a separate calendar year as the initial check mailing*

Subtotal \$6,196.50

CASE CONCLUSION

Data Manager Final Reporting	Hourly	\$100.00	5	\$500.00
Project Manager Final Reporting	Hourly	\$120.00	5	\$600.00
Declaration	Hourly	\$125.00	4	\$500.00

Subtotal \$1,600.00

Total Case Estimate: \$13,806.70

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT 5