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Attorneys for Plaintiffs DAVID GOLD and NELSON HOANG, on behalf of themselves and all other aggrieved employees

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

DAVID GOLD, an individual; NELSON
HOANG, an individual, on behalf of themselves
and other aggrieved employees,

Plaintiffs,

v.

UNITED IMPORTS OF PUENTE HILLS,
INC., a California corporation; UNITED
IMPORTS FINANCIAL OF NORTH
AMERICA, a California corporation; and
DOES 1 through 100, inclusive,

Defendants.

) CASE NO. 20PSCV00650

) [Assigned for all purposes to the Hon.
Thomas C. Falls, Dept. R]

) **RESERVATION ID. # 951495841042**

) **DECLARATION OF AARON A. BARTZ
IN SUPPORT OF MOTION TO
APPROVE PAGA SETTLEMENT**

) Date: October 20, 2022

) Time: 10:00 a.m.

) Dept.: R

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- a. Individual PAGA Payments to Aggrieved Employees: \$19,620.22;
- b. LWDA PAGA Payment to the LWDA: \$58,860.66;
- c. PAGA Counsel Fees Payment: \$50,000;
- d. PAGA Counsel Litigation Expenses Payment: \$14,019.12;
- e. Administration Expenses: \$7,500.

7. The Agreement covers the following “Aggrieved Employees”: Any and all current and former hourly-paid, non-exempt employees who worked for Defendants in the State of California at any time from July 27, 2019 to the date the Court enters a Judgment in this case. Based upon Defendants’ records, there are approximately 247 aggrieved employees as of the date of signing of the Settlement Agreement.

8. As part of the settlement, the aggrieved employees release only penalties recoverable under PAGA, and do not release any of their underlying wage claims.

Background of Case

9. This case arises out of alleged wage and hour violations committed by Defendants against their non-exempt employees in California. Plaintiffs served their PAGA letter on the Labor and Workforce Development Agency (LWDA) on July 27, 2020. Attached as **Exhibit 2** is a true and correct copy of Plaintiffs’ PAGA letter. Thereafter, Plaintiffs submitted a Complaint for filing on October 5, 2020, on behalf of themselves and other aggrieved employees for Civil Penalties under PAGA based on Defendants’ wage and hour violations, including failure to pay all wages, meal period and rest break violations, and other wage violations. Attached as **Exhibit 3** is a true and correct copy of Plaintiffs’ PAGA Complaint filed in this action.

10. Since filing this action, Plaintiffs have been very aggressive in pursuing this case on behalf of themselves and other aggrieved employees and the State of California. Shortly after filing this action, Plaintiffs propounded formal representative discovery, and thereafter agreed to a brief stay of formal discovery in order to pursue an early mediation. In advance of that mediation, Defendants informally produced a representative sampling of payroll records,

1 employment policy documents, and other extensive data concerning the hours of work and pay
2 rates of the aggrieved employees. Plaintiffs also served various demands for information under
3 the Labor Code to obtain as many personnel records as possible for a number of the aggrieved
4 employees other than Plaintiffs, in order to bolster the claims made in this case.

5 11. In preparation for Mediation, moreover, Plaintiffs also hired statistical expert
6 James Toney to analyze the data on the aggrieved employees to create models reflecting the total
7 exposure to PAGA penalties in this case. Attached as **Exhibit 4** is a true and correct copy of the
8 PAGA exposure model developed by Mr. Toney in advance of the first mediation.

9 12. On July 22, 2021, the parties attended mediation before Michael Young.
10 Unfortunately, the parties were unable to resolve the case at that time.

11 13. Thereafter, based on further discovery and investigation, Plaintiffs added Pedram
12 Amin as DOE 1 on or about August 24, 2021. The parties then engaged in the Belaire-West
13 notice process for to identify and contact the aggrieved employees.

14 14. Subsequent to the Belaire-West notice process, Plaintiffs conducted significant
15 witness outreach, and received hundreds of additional documents reflecting the claims in the
16 case. Further, after further discovery and investigation, Plaintiffs added Capitol Infiniti USA,
17 Inc. on December 29, 2021 as DOE 2 to the Complaint.

18 15. In May 2022, Plaintiffs learned for the first time that one of Defendants' other
19 employees attempted to settle this matter without Plaintiffs' or counsel's participation. In an
20 attempt to stave off this potential inadequate settlement, Plaintiffs filed a Motion to Intervene in
21 that case, entitled *Rodas v. United Imports*, Case No. 22CV398228 (*Rodas*), filed just recently in
22 Santa Clara Superior Court.

23 16. On July 26, 2022, the parties attended a second mediation before the Honorable
24 Carl J. West (Ret.). The mediation was vigorously contested, and at all times, the settlement
25 negotiations were non-collusive, and involved considerable disputes over payment terms. After
26 an all-day mediation, the parties were able to reach a settlement. The settlement Plaintiffs
27 reached with Defendants at the mediation is 40% greater than the earlier proposed settlement in
28 *Rodas*. It is my understanding that Defendants are entering into an individual settlement in

1 Rodas, and that the action will be dismissed shortly. Such a settlement does not affect this
2 PAGA settlement whatsoever.

3 17. Plaintiffs did not settle this case until they had conducted sufficient investigation
4 into the claims, interviewed numerous aggrieved employees working for Defendants, and
5 thoroughly reviewed Defendants' employment policies and pay records. I believe that this is a
6 very good settlement of the PAGA claims, which will not affect any aggrieved employee's right
7 to pursue underlying Labor Code violations against Defendants if he or she chooses to do so.

8 **Plaintiffs' Counsel Is Very Experienced In Representative And Class Actions**

9 18. I am experienced class action counsel, including specializing in wage and hour
10 and employment claims. Some of the class action litigation on which I have served as Class
11 Counsel include:

- 12 a. *Wilkins, et al. v. Equinox Holdings, Inc.*
Los Angeles Superior Court, No.: BC440058
- 13 b. *TBC Retail Group Wage and Hour Cases*
Los Angeles Superior Court, No.: JCCP No. 4701
- 14 c. *Casserty v. Randstad US, L.P., et al.*
15 U.S.D.C., Central District of California, No. SACV 12-1023-DOC(ANx)
- 16 d. *Crilly v. Micro Electronics, Inc.*
17 Orange County Superior Court, No.: 30-2013-00662586-CU-OE-CXC
- 18 e. *Concho, et al. v. Pipeline Carriers, Inc. et al.*
19 Orange County Superior Court, No.: 30:2013-00649600-DU-OE-CXC
- 20 f. *Holsted et al. v. R.J. Noble Company et. al.*
Orange County Superior Court, No.: 30:2010-00379770-CU-OE-CXC
- 21 g. *Piggue v. Chief Protective Services, Inc.*
22 Orange County Superior Court, No.: 30-2013-00688107-CU-OE-CXC
- 23 h. *Walsh v. Pacific Bell Telephone Company*
24 Orange County Superior Court, No.: 30-2011-00498062-CU-OE-CXC
- 25 i. *Woods v. JFK Memorial Hospital*
26 Riverside County Superior Court, No.: INC 1205209
- 27 j. *Ramirez et. al v. Titan Insurance of New Mexico*
28 Riverside County Superior Court, No.: RIC1211890

- k. *DeSantos v. Jaco Oil Company, et al.*
U.S.D.C. Eastern District of California, No. 1:14-CV-00738-JLT
- l. *Duran v. Big 5 Corp.*
Los Angeles Superior Court, Case No. BC557154
- m. *Sheahan v. Celtic Leasing Corporation, Inc.*
Orange County Superior Court No.: 30-2016-00852151-CU-OE-CXC
- n. *Panasis v. Control4 Corporation*
United States District Court, Central District of California
Case No. SACV-16-1179-DOC
- o. *O&R Construction, LLC v. Dun & Bradstreet, et al.*
United States District Court, Western District of Washington
Case No. C12-2184 TSZ
- p. *Matthews v. Whelan Security of California, Inc.*
Orange County Superior Court, No.: 30-2016-00833250-CU-OE-CXC
- q. *Rodriguez v. R.J. Noble Company (Navarro/Kles),*
Orange County Superior Court, No.: 30-2017-00916018-CU-OE-CXC

19. I graduated from Vanderbilt University in 1992 with a Bachelor of Arts in Economics and English, and graduated from Southwestern Law School in 1998. Since becoming a lawyer in 1998, my practice has focused on complex litigation matters, and for the last decade, complex employment law and wage and hour matters.

20. I am a member of the California State Bar, the Orange County Bar Association, Los Angeles County Bar Association, and the California Employment Lawyers Association. I have an AV rating from Martindale-Hubbell, the highest possible rating for a lawyer. During my 24+ year career, I have handled many successful employment law matters both at the trial and appellate levels. I estimate that I have represented plaintiffs in over 80 different employment cases, the vast majority of which have resulted in favorable settlements, awards and/or verdicts for my clients. I have successfully prosecuted and obtained significant recoveries in several class action lawsuits and other lawsuits involving complex legal and factual issues. In 2015, I was co-lead counsel in *Walsh v. Pacific Bell*, which settled for \$16,800,000. I also served as co-class counsel in the above-referenced *Wilkins* case which settled for \$5,500,000 and the above-

1 referenced *Casserty* case which settled for \$4,900,000. I also was co-class counsel in the above-
2 described *Holsted v. RJ Noble*, which our firm settled on behalf of 66 class members for
3 \$1,900,000. I have also been involved in many other million and multi-million dollar verdicts
4 and settlements over the years.

5 **Evaluation of the PAGA Claims**

6 21. Plaintiffs seek PAGA penalties only. The sole PAGA claim that is at issue in this
7 settlement concerns Defendants' failure to: (1) pay all wages owed and unlawful deductions
8 from Plaintiffs' pay; (2) provide duty-free meal periods; (3) authorize and permit duty-free rest
9 periods; (4) pay all wages due upon termination; and (5) properly maintain and submit accurate
10 itemized wage statements.

11 a. **Unpaid wages**

12 California Labor Code § 510(a) and the applicable Wage Orders regulating payment of
13 wages in the State of California, provide that eight (8) hours of labor constitutes a day's work
14 and any work in excess of eight (8) hours in one (1) workday and any work in excess of forty
15 (40) hours in any one workweek shall be compensated at the rate of no less than one and one-half
16 times the regular rate of pay for each employee and any work in excess of twelve (12) hours in
17 any one workday shall be compensated at the rate of no less than twice the regular rate of pay for
18 each employee. Plaintiffs and the aggrieved employees are also entitled to California's
19 minimum wage for each hour worked. Cal. Lab. Code § 1194.

20 Plaintiffs contend that Defendants have committed overtime and minimum wage
21 violations here based on several theories. *First*, despite Plaintiffs working overtime hours
22 weekly, Plaintiffs failed to pay overtime compensation for overtime hours worked. Plaintiffs
23 also reviewed payroll records showing, in certain instances, Defendants' failure to pay the
24 minimum wage. *Second*, Plaintiffs contend that Defendants violated agreements with employees
25 to pay rates higher than the minimum wage, thus violating Labor Code section 223. *Last*,
26 pursuant to *Peabody v. Time Warner Cable, Inc.*, 59 Cal.4th 662 (2014), Plaintiffs contend that
27 Defendants cannot borrow from pay periods in which Plaintiffs made above the minimum wage
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1 to comply with the minimum wage requirements or the overtime exemption for inside
2 salespersons.

3 Defendants contend that they have numerous defenses to Plaintiffs' unpaid wage claims,
4 including that certain employees were objectively paid minimum wage and overtime, and for
5 others, including commissioned salespersons, they received well in excess of the minimum wage
6 for monthly pay periods.

7 The maximum potential PAGA penalties for the unpaid wage claim is \$2.5 million, as
8 calculated by Plaintiffs' expert. Based on the various issues raised above, Plaintiffs believe they
9 had a 10% chance of success on the various unpaid wage theories. Nevertheless, Labor Code
10 section 2699(e)(2) also gives a trial court broad discretion to reduce PAGA penalties: "[A] court
11 may award a lesser amount than the maximum civil penalty amount specified by this part if,
12 based on the facts and circumstances of the particular case, to do otherwise would result in an
13 award that is unjust, arbitrary and oppressive, or confiscatory." Case law supports a trial court's
14 discretion in downgrading penalties based on these factors. *See Thurman v. Bayshore Transit*
15 *Management, Inc.*, 203 Cal.App.4th 1112, 1135-1136 (2012) (no abuse of discretion by reducing
16 penalty by 30 percent). Thus, Plaintiffs believe that the real value of the unpaid wage penalties
17 are \$175,000 (\$2,500,000 x .1 [chances of success] x .7 [court discretion] = \$175,000).

18 b. Meal period violations

19 Plaintiffs contend that Defendants failed to provide Plaintiffs and other aggrieved
20 employees thirty-minute duty-free meal periods for every five hours of work as is required by
21 Labor Code § 512, the applicable wage orders, and in violation of *Brinker Restaurant Corp. v.*
22 *Superior Court*, 53 Cal.4th 1004 (2012). In *Brinker*, the California Supreme Court held that
23 "under ... Labor Code § 512, subdivision (a), an employer must relieve the employee of all duty
24 for the designated period." *Id.* at 1034.

25 *First*, Plaintiffs contend that Defendants refused to allow Plaintiffs and other aggrieved
26 employees to eat lunch at their desks, did not have a designated area for eating lunch, and even
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1 on the rare occasion when Plaintiffs were permitted to grab lunch from outside the dealership,
2 they were always on call. As such, Plaintiffs believe *Brinker* will control this case.

3 *Second*, Defendants produced time records in this case that Plaintiffs believe establish
4 that meal periods not only were not taken regularly, but they were not taken at all based on
5 Defendants' practices and procedures. Under *Donohue v. AMN Services, LLC*, 11 Cal.5th 58
6 (2021), the California Supreme Court held that "noncompliant meal periods raise a rebuttable
7 presumption of meal period violations." *Id.* at 74.

8 In response to such arguments, Defendants contend that they permit all aggrieved
9 employees more than 30 minute meal periods, and the aggrieved employees had substantial
10 down time at the car dealerships to take their meal periods. Defendants further contend that
11 Plaintiffs will be unable to establish why certain aggrieved employees did not take their meal
12 periods, and that in any event, Defendants had no duty to ensure that meal periods were taken,
13 pursuant to *Brinker*. Defendants further argue that individual issues will predominate because of
14 the various scenarios affecting different classes of employees working for Defendants. As such,
15 Defendants claim that PAGA claims must meet a manageability requirement. *See Wesson v.*
16 *Staples The Office Superstore, LLC*, 68 Cal.App.5th 746 (2021) (holding that courts have inherent
17 authority to ensure the manageability of PAGA claims).

18 The maximum potential PAGA penalties recoverable for meal period violations, as
19 calculated by Plaintiffs' expert, is \$910,000. Based on the various issues raised above regarding
20 proving meal period violations, Plaintiffs believe that they have a 10% chance of proving all of
21 those penalties. Thus, Plaintiffs believe that the real value of the meal period penalties are
22 \$63,700. ($\$910,000 \times .1$ [chances of success] $\times .7$ [court discretion] = \$63,700).

23 c. Rest period claims

24 Section 12(A) of the IWC Wage Order(s) states: "Every employer shall authorize and
25 permit all employees to take rest periods, which insofar as practicable shall be in the middle of
26 each work period. The authorized rest period time shall be based on the total hours worked daily
27 at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However,

1 a rest period need not be authorized for employees whose total daily work time is less than three
2 and one-half (3½) hours. Authorized rest period time shall be counted as hours worked for which
3 there shall be no deduction from wages.”

4 Section 12(B) of the IWC Wage Order(s) states: “If an employer fails to provide an
5 employee a rest period in accordance with the applicable provisions of this order, the employer
6 shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for
7 each workday that the rest period is not provided.”

8 Under *Brinker, supra*, the California Supreme Court found that employers have a “duty
9 to make a good faith effort to authorize and permit rest breaks in the middle of each work period.
10 . . .” *Brinker, supra*, 53 Cal.4th at 1031. Plaintiffs allege that rest periods were not authorized or
11 permitted because Defendants understaffed their dealerships, and Plaintiffs were often unable to
12 take their rest periods.

13 Defendants contend that they complied with California’s rest period requirements, and
14 produced a rest period policy that complies with California law.

15 Plaintiffs’ damages expert calculates total penalties on the rest period claim of \$910,000.
16 Given Defendants’ facially valid rest period policy, and potential individual issues relating to
17 proving rest break violations, Plaintiffs believe they had a 5% chance of recovering all of the
18 above penalties on the rest period claim, in the absence of other mitigating factors. Given that a
19 court has discretion regarding the amount of penalties to be assessed, Plaintiffs therefore believe
20 the real exposure of PAGA penalties on the rest period claim is approximately \$31,850.

21 $(\$910,000 \times .05 \text{ [chances of success]} \times .7 \text{ [court discretion]}) = \$63,700.$

22 d. Failure to pay all wages on termination

23 Plaintiffs further allege that pursuant to Labor Code §203, aggrieved employees terminated
24 from Defendants’ employment are entitled to a penalty pursuant to Labor Code §256, because
25 Defendants did not pay them all wages due upon separation. Such a claim is derivative, and for the
26 same reasons as stated above, Defendants contend no wages are due, and thus no penalties owed
27 under PAGA. Defendants further argue that their failure to pay wages upon separation was not
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1 “willful,” in that the law is uncertain as to claims asserted in this case or whether the failure to pay is
2 due to a good faith dispute. *See Barnhill v. Robert Saunders & Co.*, 125 Cal.App.3d 1, 8 (1981)
3 (employer’s failure to pay is not willful if its failure is due to uncertainty in the law); *Road Sprinkler*
4 *Fitters Local Union No. 669 v. G & G Fire Sprinklers, Inc.*, 102 Cal.App.4th 765, 782 (2002)
5 (willfulness not met if defendant’s failure to pay a result of a “good faith mistaken belief that wages
6 are not owed”).

7 Plaintiffs’ expert calculates PAGA penalties on this claim of \$816,000. Based on the
8 heightened willfulness standard, Plaintiffs estimate that the real exposure of this claim is 10% of
9 those total penalties. Moreover, Plaintiffs apply the same discounts as set forth above in the
10 above analysis as to the court’s discretion to reduce penalties. As such, Plaintiffs believe the real
11 exposure on this claim to be \$57,100 ($\$816,000 \times .1$ [chances of success] $\times .70$ [court discretion] =
12 \$57,100).

13 e. Improper pay stubs

14 Plaintiffs further allege that Defendants failed to provide proper pay statements that
15 complied with Labor Code § 226.

16 Plaintiffs allege similar theories of liability as above with respect to the paystub claim,
17 i.e. that the wage statements are defective because they do not reflect all wages owed, and fail to
18 show premium payments for missed meal and rest periods. *See Naranjo v. Spectrum Security*
19 *Servs., Inc.*, 13 Cal.5th 93 (2022). Plaintiffs further allege that to obtain PAGA penalties for pay
20 stub violations, a plaintiff need not satisfy the “injury” or “knowing and intentional”
21 requirements of Labor Code section 226(e)(1). *See Raines v. Coastal Pacific Food Distributors,*
22 *Inc.*, 23 Cal.App.5th 667 (2018).

23 On the other hand, Defendants argue derivative violations of Labor Code § 226 do not
24 give rise to pay stub violations upon which PAGA penalties arise. *See Maldonado v. Epsilon*
25 *Plastics, Inc.*, 22 Cal.App.5th 1308 (2018); *see also Culley v. Lincare Inc.*, 236 F.Supp.3d 1184,
26 1195-1196 (E.D. Cal. 2017). Defendants further argue that any such violations were inadvertent,

1 and therefore not actionable. *See Heritage Residential Care, Inc. v. Division of Labor Standards*
2 *Enforcement*, 192 Cal.App.4th 75 (2011).

3 Plaintiffs' expert calculates pay stub penalties to be approximately \$910,000. Plaintiffs
4 believe they had a 20% chance of recovering all of the potentially recoverable civil penalties.
5 Moreover, Plaintiffs apply the same discounts as set forth above in the analysis as to the court's
6 discretion to reduce penalties. As such, Plaintiffs believe the real exposure on this claim to be
7 \$127,400. ($\$910,000 \times .2$ [chances of success] $\times .7$ [court discretion] = \$191,100).

8 f. Total exposure to PAGA penalties

9 Based upon the alleged Labor Code violations, Plaintiffs believe the total actual PAGA
10 exposure is approximately \$455,050. Based on a settlement value of \$150,000, this amounts to
11 approximately 33% of the total exposure to PAGA penalties. Plaintiffs believe this to be a good
12 result, given Defendants numerous defenses to Plaintiffs' claims, and the risks associated with
13 proving all of the alleged violations, and the court's discretion to reduce penalties.

14 Attorneys' Fees and Costs

15 22. To date, my firm Bartz Law Group, APC has spent approximately 81 hours on
16 this action and has incurred approximately \$56,500 in fees. The fees incurred were reasonable
17 and necessary in order to prosecute this case. Plaintiffs' counsel's billing rates of \$750 per hour
18 are in line with other firms billing rates for similar work, and generally, lower based on our
19 collective experience and results achieved in other cases. In connection with this PAGA
20 settlement, Plaintiffs' counsel requests attorneys' fees of \$50,000, or one-third of the gross
21 settlement amount. This amount is substantially less than PAGA counsel's lodestar of over
22 \$140,000, and I believe that pursuant to *Laffitte v. Robert Half Int'l, Inc.*, 1 Cal.5th 480 (2016),
23 such a recovery is fair and reasonable in this case, given the work expended and the results
24 achieved in this case. Bartz Law Group APC has also incurred \$3,327.72 in out of pocket costs,
25 all of which were reasonable and necessary in prosecuting this action. Attached as **Exhibit 5** is a
26 true and correct copy of the attorneys' fees to date incurred to prosecute this action. Attached as
27 **Exhibit 6** is a true and correct copy of the litigation expenses incurred in this action.

28 23. Plaintiffs' counsel has also retained ILYM Group, Inc. to administer the
settlement in this case. The Settlement Administrator provided a not to exceed bid for \$7,500 to
administer the settlement. The Settlement Administrator's bid is attached hereto as **Exhibit 7**.

1 24. My office provided notice of the proposed settlement and all documents filed in
2 support of this motion for PAGA settlement approval to the LWDA via uploading the documents
3 the California DIR/LWDA's website on the same date as the filing of the instant motion.
4 Attached as **Exhibit 8** is a true and correct copy of the confirmation of filing produced by the
5 LWDA with the motion and other settlement papers.

6 I declare under penalty of perjury under the laws of the State of California that the
7 foregoing is true and correct. Executed on September 21, 2022, at Irvine, California.

8 //Aaron A. Bartz//
9 Aaron A. Bartz

EXHIBIT 1

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PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs David Gold and Nelson Hoang (“Plaintiffs”) and Defendants United Imports of Puente Hills, Inc., United Imports Financial of North America, Capitol Infiniti USA, Inc., and Pedram Amin (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ PAGA lawsuit alleging wage and hour violations against Defendants filed on October 5, 2020, Case No. 20PSCV00650 and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendants in California and classified as a non-exempt employee who worked for Defendants during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Los Angeles.
- 1.8. “Defense Counsel” means Fine, Boggs & Perkins LLP.
- 1.9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment.
- 1.10. “Gross Settlement Amount” means \$150,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below.

The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

- 1.11. "Individual PAGA Payment" means the Aggrieved Employees' pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods each Aggrieved Employee worked during the PAGA Period.
- 1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to the LWDA as the LWDA PAGA Payment and to Aggrieved Employees as Individual PAGA Payments.
- 1.16. "PAGA Counsel" means Shanberg Stafford LLP and Bartz Law Group APC, the attorneys representing the Plaintiffs in the Action.
- 1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.19. "PAGA Period" means the period from July 27, 2019 to the Effective Date.
- 1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. "PAGA Notice" means Plaintiffs' July 27, 2020 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

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- 1.23. "Plaintiffs" mean David Gold and Nelson Hoang, the named plaintiffs in the Action.
 - 1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
 - 1.25. "Released PAGA Claims" means the claims being released by the Plaintiffs and PAGA Counsel and as described in Paragraph 5 below.
 - 1.26. "Released Parties" means: Defendants and each of their former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, and assigns.
 - 1.27. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
 - 1.28. "Defendants" mean named Defendants United Imports of Puente Hills, Inc., United Imports Financial of North America, Capitol Infiniti USA, Inc., and Pedram Amin.

2. RECITALS.

- 2.1. On October 5, 2020, Plaintiffs commenced this Action by filing a Complaint alleging causes of action against Defendants for Civil Penalties Under the Private Attorneys General Act. The Complaint is the operative complaint in the Action (the "Operative Complaint." Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.3. On July 22, 2021, the Parties participated in a Mediation before Michael Young. The Mediation was unsuccessful. Thereafter, on July 26, 2022, the Parties participated in a Mediation before the Hon. Carl J. West (Ret.). The Parties agreed to a settlement in principle at that Mediation, which led to this Agreement to settle the Action.
- 2.4. Prior to both Mediations, the Parties exchanged extensive formal and informal discovery, including Defendants' production of thousands of pages of personnel and payroll documents, and relevant data for the Aggrieved Employees, including all pay periods at issue during the PAGA Period.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$150,000 and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of one-third, which is \$50,000, and PAGA Counsel Litigation Expenses Payment of not more than \$15,000. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any PAGA Counsel Fees Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$7,500 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$7,500, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$77,500 to be paid from the Gross Settlement Amount, with 75% (\$58,125) allocated to the LWDA PAGA Payment and 25% (\$19,375) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$19,375) by the total number of PAGA Period Pay Periods worked

by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.2.3.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 247 Aggrieved Employees who worked a total 4,800 of PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within 15 days of the execution of this Agreement, Defendants will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator as follows: (a) \$115,000 of the Gross Settlement Amount by the later of November 15, 2022 or 30 days after the Effective Date ("First Installment"); and (b) the remaining \$35,000 by no later than 90 days after the First Installment ("Second Installment").
- 4.4. Payments from the Gross Settlement Amount. Within 10 days after Defendants fund the First Installment of the Gross Settlement Amount (i.e., \$115,000), the Administrator will mail checks as follows: (1) Individual PAGA Payments in the amount of \$19,375 or 25% of the Net Settlement Amount, whichever is greater; (2) the LWDA PAGA Payment in the amount of \$23,125, or 29.83871% of the Net Settlement Amount, whichever is greater; (3) the PAGA Counsel Fees Payment of \$50,000, or the amount approved by the Court, if different from that amount; (4) the PAGA Counsel Litigation Expenses Payment of \$15,000, or the amount approved by the Court, if different from that amount; and (5) the Administration Expenses Payment of \$7,500, or the amount approved by the Court, if different from that amount. Thereafter, within 10 days after Defendants fund the Second

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Installment of the Gross Settlement Amount, the Administrator will mail a check in the amount of \$35,000 to the LWDA for the remainder of the LWDA PAGA Payment.

- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
 - 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
 - 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount Plaintiffs and PAGA Counsel will release claims against all Released Parties as follows:
- 5.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless,

that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

- 5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice.

5.3 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (iv) and all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims

that will be extinguished or adversely affected by the Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 20 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES

Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, there are 247 Aggrieved Employees who worked 4,800 Pay Periods to date.

9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

- 9.1 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. **ADDITIONAL PROVISIONS.**

- 10.1 **No Admission of Liability or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 10.2 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

- 10.3 **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiffs, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the

Administrator's payment of all Settlement Funds, Defendants make a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Shanberg Stafford LLP
4100 Newport Place, Suite 820
Newport Beach, CA 92660

and

Bartz Law Group APC
5151 California Ave., Suite 100
Irvine, CA 92617

To Defendants:

Fine Boggs & Perkins LLP
111 West Ocean Blvd., Suite 2400
Long Beach, CA 90802

- 10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

8/25/2022
Dated: _____, 2022

8/26/2022
Dated: _____, 2022

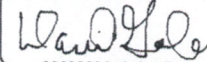
8/25/2022
Dated: _____, 2022

8/25/2022
Dated: _____, 2022

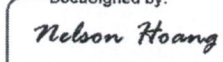
Dated: 8/25/, 2022

Dated: 8/25/, 2022

“PLAINTIFFS”

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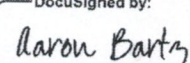
David Gold

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Nelson Hoang

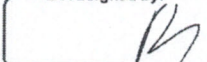
“PLAINTIFFS’ COUNSEL”

BARTZ LAW GROUP, APC

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Aaron Bartz, Attorneys for Plaintiffs

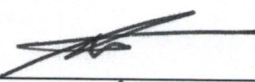
SHANBERG STAFFORD LLP

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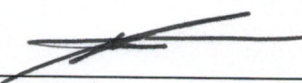
Ross Shanberg, Attorneys for Plaintiffs

“DEFENDANTS”

United Imports of Puente Hills, Inc.


By: Pedram Amin
Its: president

United Imports of Financial of North
America


By: Pedram Amin
Its: president

Capitol Infiniti USA, Inc.

Dated: 8/25, 2022


By: Pedram Amin
Its: President

Dated: 8/25, 2022


Pedram Amin

“DEFENSE COUNSEL”

FINE, BOGGS & PERKINS LLP

Dated: 9 Sep, 2022

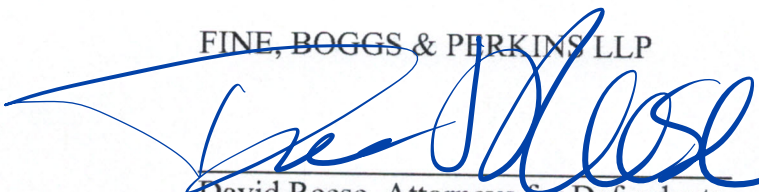

David Reese, Attorneys for Defendants

EXHIBIT 2

SHANBERG, STAFFORD & BARTZ LLP

5031 BIRCH STREET
NEWPORT BEACH, CALIFORNIA 92660

TELEPHONE (949) 205-7515
FACSIMILE (949) 205-7144
www.ssfirm.com

July 27, 2020

Notice Via Online Submission

PAGA Administrator
California Labor and Workforce Development Agency

Via Certified Mail (Return Receipt Requested)

Michael C. Rogers, Esq.
Agent for Service of Process
United Imports of Puente Hills, Inc.
401 B St., Ste. 1470
San Diego, CA 92101

Michael C. Rogers, Esq.
Agent for Service of Process
United Imports Financial of North America
401 B St., Ste. 1470
San Diego, CA 92101

Re: California Labor Code Violations by United Imports of Puente Hills, Inc. and United Imports Financial of North America

Dear PAGA Administrator:

Please be advised that the law firm of Shanberg, Stafford & Bartz LLP represents David Gold and Nelson Hoang and all other similarly situated aggrieved employees ("Plaintiffs") with respect to their employment with Defendants United Imports of Puente Hills, Inc. and United Imports Financial of North America ("Defendants").

Defendants have committed numerous violations of the California Labor Code, including, but not limited to, §§ 201, 202, 203, 204, 221-223, 226, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and 1198. The facts and theories to support the alleged violations are set forth herein.

A. Failure to Pay All Wages/Overtime

Defendants regularly failed to pay Plaintiffs all wages that they were owed, including minimum wages and overtime compensation. Under Defendants' commission and other pay plans, Plaintiffs and the other aggrieved employees are not guaranteed pay of at least the minimum wage for each hour worked, and wages are deducted from commissions such that minimum and/or overtime wages are not paid to Plaintiffs and the other aggrieved employees. Moreover, the overtime rate of pay fails to account for all compensation, including but not limited to commission pay, and other incentive pay. As such, Defendants failed to pay Plaintiffs all wages to which they

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are due, including minimum wages and premium wages for all overtime hours worked, both at one and one-half times the regular rate of pay for hours in excess of 8 per day or 40 per week, and twice the amount of the regular rate of pay for hours in excess of 12 per day. Employer's failure to pay all minimum and overtime compensation violates Labor Code §§ 510 and 1194.

Defendants also violated the minimum wage laws by trying to satisfy the minimum wage through the payment of commissions from different time periods. Defendants repeatedly and regularly failed to pay minimum wages during pay periods, and Defendants cannot satisfy the minimum wage laws by reassigning wages from different pay periods, pursuant to *Peabody v. Time Warner Cable, Inc.*, 59 Cal.4th 662 (2014).

Labor Code § 204(a) provides in pertinent part that “[a]ll wages, other than those mentioned in [Labor Code] Section 201, 201.3, 202, 204.1, or 204.2, earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month.”

Pursuant to Labor Code § 204(b)(1), moreover, “all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.” Here, Defendants failed to pay Plaintiffs and other aggrieved employees all wages owed in a timely manner, thereby violating Labor Code § 204.

B. Meal and Rest Breaks

Defendants also failed to provide Plaintiffs with meal and rest periods under California law. Defendants failed to adopt, implement, and enforce a uniform meal period policy that complied with California law. For example, Defendants required Plaintiffs to be on call during their meal periods, and to respond to sales and other inquiries during meal periods, thereby failing to provide Plaintiffs with duty-free meal periods as required by California law. Defendants also failed to provide Plaintiffs with a duty-free meal period within the first 5 hours of work, and a second duty-free meal period within 10 hours of work. Defendants also unlawfully required Plaintiffs to waive meal periods.

Moreover, as a matter of policy and/or practice, Defendants further failed to pay Plaintiffs a missed meal period premium pursuant to Labor Code § 226.7 for each meal period that was not authorized or permitted, and/or failed to pay such meal period premium at Plaintiffs' regular rate of pay. Defendants also failed to keep accurate records of meal breaks taken by Plaintiffs in violation of Labor Code § 1174 and the applicable Industrial Welfare Commission wage order.

Defendants also failed to adopt, implement, and enforce a uniform rest period policy that complied with California law. Defendants failed to authorize and permit Plaintiffs to take duty-free rest periods of 10 minutes for every four hours worked or major fraction thereof, by requiring Plaintiffs to regularly work through their rest periods to complete their duties. Defendants also adopted and implemented policies and practices, including but not limited to commission and other pay policies, that failed to separately compensate Plaintiffs for their rest periods, in violation of

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Vaquero v. Stoneledge Furniture LLC, 9 Cal.App.5th 98 (2017). Defendants further failed to pay Plaintiffs a missed rest period premium pursuant to Labor Code § 226.7 for each rest period that was not authorized or permitted, and/or failed to pay such rest period premium at Plaintiffs' regular rate of pay. As a result of Defendants' lack of any meal or rest break policy that complies with California law, Defendants have violated Labor Code § 512 and 226.7 and the applicable Industrial Welfare Commission wage order.

C. Wage Statement Violations

Defendants willfully failed to provide properly itemized wage statements to Plaintiffs pursuant to Labor Code § 226. For instance, Defendants frequently failed to identify the correct hours and rates of pay for hours worked for Defendants, including but not limited to violations of Labor Code § 226(a)(9) by not indicating "all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate." Defendants further violated Labor Code § 226(a)(2) by failing to correctly state the total hours worked by Plaintiffs and the aggrieved employees, and/or any hours at all within Plaintiffs' and the aggrieved employees' wage statements. Defendants further violated Labor Code § 226(a)(4) by failing to itemize all deductions on the wage statement, and violated Labor Code § 226(a)(8) by failing to state the name and address of the legal entity of Plaintiffs' and the other aggrieved employees' employer. Defendants further violated Labor Code § 226 by failing to maintain accurate payroll and itemized wage statements by not producing such wage statements and/or making them readily available to Plaintiffs.

D. Unlawful Deductions

Defendants unlawfully deduct earned wages from Plaintiffs' pay pursuant to Labor Code sections 221, 222, and 223. Defendants do this by agreeing to pay Plaintiffs a wage certain, then deducting those wages from current and future wage statements conditional upon Defendants' sales and based upon commissions and other compensation paid to Plaintiffs. At no time did Plaintiffs ever agree to such deductions, and even if they did, such deductions are illegal as a matter of law.

E. Waiting Time Penalties

Defendants willfully failed and refused to timely pay all compensation due and owing to Plaintiffs whose employment was terminated during the relevant time period, by failing to pay overtime and minimum wages as described above, failing to pay Plaintiffs for time worked during meal and rest periods, and failing to pay Plaintiffs for an extra hour at the regular rate because Defendants failed to provide compliant meal and rest periods. As such, Defendants are liable for accrued wages due, and waiting time penalties owed, in accordance with Labor Code §§ 201, 202, and 203.

CONCLUSION

Pursuant to Labor Code § 2699.3, the undersigned, on behalf of David Gold and Nelson Hoang and all other similarly situated aggrieved employees, is hereby providing written notice of the alleged Labor Code violations.

Please advise the undersigned if the agency intends to investigate the alleged violations. If not, these current and former employees intend to pursue their claims under PAGA in a

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representative action lawsuit. Please also consider this letter as providing notice on behalf of other aggrieved employees working for Defendants that were subject to the same Labor Code violations described above.

Very truly yours,

SHANBERG, STAFFORD & BARTZ LLP

A handwritten signature in black ink, appearing to read 'A. Bartz', with a stylized flourish at the end.

Aaron A. Bartz

EXHIBIT 3

Ross E. Shanberg (SBN 179842)
 Shane C. Stafford (SBN 216151)
 Aaron A. Bartz (SBN 198722)
 SHANBERG, STAFFORD & BARTZ LLP
 5031 Birch Street
 Newport Beach, California 92660
 Tel: (949) 205-7515; Fax: (949) 205-7144

Attorneys for Plaintiffs DAVID GOLD and NELSON HOANG, on behalf of themselves and all other aggrieved employees

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

DAVID GOLD, an individual;
 NELSON HOANG, an individual, on
 behalf of themselves and other
 aggrieved employees,

Plaintiffs,

vs.

UNITED IMPORTS OF PUENTE
 HILLS, INC., a California corporation;
 UNITED IMPORTS FINANCIAL OF
 NORTH AMERICA, a California
 corporation; and DOES 1 through 100,
 inclusive,

Defendants.

CASE NO.

**COMPLAINT FOR CIVIL PENALTIES
 UNDER THE PRIVATE ATTORNEYS
 GENERAL ACT ("PAGA") [California
 Labor Code §§2698, et seq.]**

DEMAND FOR JURY TRIAL

Plaintiffs DAVID GOLD ("Gold") and NELSON HOANG ("Hoang"), on behalf of themselves and all other aggrieved employees (hereinafter collectively "Plaintiffs"), and as private attorneys general, hereby assert representative claims against Defendants UNITED IMPORTS OF PUENTE HILLS, INC. dba PUENTE HILLS MITSUBISHI ("Puente Hills Mitsubishi") and UNITED IMPORTS FINANCIAL OF NORTH AMERICA ("United Imports"), and DOES 1 through 100 (hereinafter collectively "Defendants"), and hereby complain and allege as follows:

I. INTRODUCTION

1. This lawsuit is directed at Defendants' California state law violations of wage and

1 hour laws -- it is a representative action seeking recovery of civil penalties under the Private
2 Attorneys General Act of 2004 (“PAGA”), California Labor Code (“Labor Code”) §§2698, et
3 seq. PAGA permits “aggrieved employees” to bring a lawsuit as a representative action on
4 behalf of themselves and other aggrieved current and former employees to recover civil penalties
5 for Defendant’s violations of the Labor Code, including, but not limited to Labor Code §§200, et
6 seq., 500, et seq., 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, and all applicable
7 Industrial Welfare Commission (“IWC”) Orders, including IWC Wage Order 7-2001.

8 2. This action is brought as a representative action on behalf of all current and
9 former aggrieved employees who were employed by Defendants in California and who work or
10 worked as non-exempt hourly employees during the applicable time period and who were subject
11 to Defendants’ meal period policy, rest period policy, compensation policy, overtime policy,
12 final payment of wages policy, and related wage and hour policies and/or practices.

13 3. As set forth in detail below, Defendants consistently implemented, maintained
14 and enforced unlawful policies and practices regarding Plaintiffs in violation of California’s
15 wage and hour laws, which led to Defendants’ violations of Labor Code §§ 201-203, 220-221,
16 226, 226.7, 510, 512, 1174, 1194, 1198, 2698, et seq. and IWC Wage Order 7-2001 due to
17 Defendants’: (1) failure to pay all wages, including minimum wages, straight time wages, and
18 overtime compensation; (2) failure to provide meal periods; (3) failure to authorize and permit
19 rest periods or provide compensation in lieu thereof; (4) failure to timely pay all wages owed;
20 (5) failure to properly maintain and submit accurate itemized wage statements; and (6) unlawful
21 deductions from earned wages. Such policies and practices, as described herein, violate the
22 Labor Code, and trigger civil penalties under Labor Code §2699. Therefore, Plaintiffs, on behalf
23 of themselves and all aggrieved employees, bring this representative PAGA action pursuant to
24 the provisions of the Labor Code as referenced herein. Plaintiffs seek recovery of civil penalties,
25 reasonable attorney’s fees and costs, and other relief as deemed proper.

26 4. The acts complained of herein occurred, occur and will occur, at least in part,
27 within the statute of limitations under the PAGA statute, or within the statute of limitations of
28 any other Complaint or other filing which has tolled the claims asserted herein, up to and through

1 the time of trial for this matter.

2 **II. THE PARTIES**

3 5. Plaintiff Gold is, and was at all relevant times mentioned herein, an individual
4 residing within the State of California. Plaintiff Gold worked for Defendants as a salesperson
5 between June 2019 and March 2020.

6 6. Plaintiff Hoang is, and was at all relevant times mentioned herein, an individual
7 residing within the State of California. Plaintiff Hoang worked for Defendants as a salesperson
8 between April 2019 and March 2020.

9 7. Defendant Puente Hills Mitsubishi is and has been, at all relevant times herein, a
10 corporation organized and existing under the laws of the State of California, with its principal
11 place of business in the State of California, and doing business within the County of Los
12 Angeles, in the State of California.

13 8. Defendant United Imports is and has been, at all relevant times herein, a
14 corporation organized and existing under the laws of the State of California, with its principal
15 place of business in the State of California, and doing business within the County of Los
16 Angeles, in the State of California.

17 9. Defendants DOES 1 through 100, inclusive, are sued herein under fictitious
18 names. Their true names and capacities are unknown to Plaintiffs. When their true names and
19 capacities are ascertained, Plaintiffs will amend their complaint by inserting their true names and
20 capacities herein. Plaintiffs are informed and believe, and based thereon allege that each of the
21 fictitiously named Defendants are responsible in some manner for the occurrences herein alleged
22 and that Plaintiffs' damages as herein alleged were proximately caused by those Defendants.

23 10. Defendants, and each of them, are now and/or at all times mentioned in this
24 Complaint were the agents, servants and/or employees of some or all other Defendants, and vice-
25 versa, and in doing the things alleged in this Complaint, Defendants are now and/or at all times
26 mentioned in this Complaint were acting within the course and scope of that agency, servitude
27 and/or employment.

28 11. Defendants, and each of them, are now and/or at all times mentioned in this

1 Complaint were members of and/or engaged in a joint venture, partnership and common
2 enterprise, and were acting within the course and scope of, and in pursuit of a joint venture,
3 partnership and common enterprise.

4 12. Each reference in this complaint to “Defendant,” “Defendants,” or a specifically
5 named Defendant refers also to all Defendants sued under fictitious names.

6 13. Plaintiffs are informed and believe, and thereon allege that at all relevant times
7 herein, Defendants maintained offices, employed persons, conducted business in, and/or engaged
8 in illegal employment practices and policies in the State of California, County of Los Angeles.

9 **III. JURISDICTION**

10 14. The California Superior Court has jurisdiction in this matter due to Defendants’
11 aforementioned violations of California statutory law and/or related common law principles.

12 15. The California Superior Court also has jurisdiction in this matter because both the
13 relief sought herein exceeds the minimal jurisdictional limits of the Superior Court and will be
14 established at trial, according to proof.

15 16. The California Superior Court also has jurisdiction in this matter because
16 Defendants’ corporate officers direct, control, and coordinate Defendants’ activities from
17 Defendants’ offices located in the State of California.

18 17. The California Superior Court also has jurisdiction in this matter because during
19 their employment with Defendants, Plaintiffs herein were all California citizens and Defendants
20 have owned and operated auto dealerships within California. Further, there is no federal
21 question at issue, as the issues herein are based solely on California statutes and law.

22 **IV. VENUE**

23 18. Venue in Los Angeles County is proper in this matter as Defendants’ liabilities
24 and obligations arose in Los Angeles County, including Defendants’ statutory obligations to pay
25 Plaintiffs wages for all hours worked, overtime wages, straight time wages, minimum wages,
26 timely wages upon termination and/or resignation, provide legally compliant meal and rest
27 periods, maintain and submit accurate wage statements, and other obligations as described
28 herein.

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20. Plaintiffs and the aggrieved employees who Plaintiffs seek to represent worked for Defendants as non-exempt employees in California, during the relevant time period.

22. Defendants also fail to pay Plaintiffs for all minimum wages due, by deducting unauthorized amounts from Plaintiffs' pay, and by trying to satisfy the minimum wage by reassigning wages from different pay periods, in violation of *Peabody v. Time Warner Cable, Inc.*, 59 Cal.4th 662 (2014).

23. Defendants also fail to provide Plaintiffs with meal and rest periods under California law. Defendants failed to adopt, implement, and enforce a uniform meal period policy that complied with California law. For example, Defendants required Plaintiffs to take meal periods after they worked for more than five hours, and Defendants failed to provide Plaintiffs with their full 30 minute duty-free meal period based on numerous factors, including but not limited to the fact that the amount of work required of Plaintiffs by Defendants necessitated that Plaintiffs take their meal periods late, return early from their meal periods, and/or interrupt their meal periods. Moreover, as a matter of policy and/or practice, Defendants failed to pay Plaintiffs one hour of pay at their regular rate of pay for each workday that a 30 minute duty-free meal period was not provided. Defendants also failed to keep accurate records of meal breaks taken by

1 Plaintiffs in violation of Labor Code §1174 and IWC Wage Order 7-2001.

2 24. Defendants also failed to adopt, implement, and enforce a uniform rest period
3 policy that complied with California law. Defendants failed to authorize and permit Plaintiffs to
4 take duty free rest periods of 10 minutes for every four hours worked or major fraction thereof,
5 by requiring Plaintiffs to regularly work through their rest periods to complete their duties, and
6 failing and refusing to provide a rest period for any hours in excess of 10 per day. As a result of
7 Defendants' lack of any meal or rest break policy that complies with California law, Defendants
8 have violated Labor Code §§512 and 226.7 and the IWC Wage Order 7-2001, among other
9 things.

10 25. Defendants also deduct earned wages from Plaintiffs' and other aggrieved
11 employees' itemized wage statements in violation of Labor Code §§221 and 223. Defendants do
12 this by deducting earned wages from commission payments, and by deducting other amounts that
13 Plaintiffs never consented to or agreed could be deducted from their wages.

14 26. Defendants also willfully failed to provide properly itemized wage statements to
15 Plaintiffs pursuant to Labor Code §226. Defendants, for example, fail to identify the correct
16 hours and rates of pay for hours worked for Defendants, including but not limited to violations of
17 Labor Code § 226(a)(9) by not setting forth "all applicable hourly rates in effect during the pay
18 period and the corresponding number of hours worked at each hourly rate." Defendants also
19 violate Labor Code § 226(a)(2) by failing to correctly state the total hours worked by Plaintiffs or
20 any hours at all within Plaintiffs' and the aggrieved employees' wage statements. Defendants
21 also violate Labor Code § 226(a)(4) by failing to itemize all deductions on the wage statement,
22 and Labor Code § 226(a)(8) by failing to state the name and address of the legal entity of
23 Plaintiffs' employer. The failure to provide accurate itemized wage statements violates Labor
24 Code §§226, 2699, et seq., and IWC Wage Order 7-2001.

25 27. Defendants willfully failed and refused to timely pay all compensation due and
26 owing to Plaintiffs whose employment was terminated during the relevant time period, by failing
27 to pay all of Plaintiff's compensation due upon termination by failing and refusing to pay
28 overtime and straight time wages, failing to pay Plaintiffs for time worked during meal and rest

1 periods, failing to pay Plaintiffs for an extra hour because Defendants failed to provide compliant
2 meal and rest periods, and by Defendants' other unlawful actions as described herein. As such,
3 Defendants are liable for accrued wages due, and waiting time penalties owed, in accordance
4 with Labor Code §§201, 202, and 203.

5 **VI. PRIVATE ATTORNEYS GENERAL ACT CLAIM**

6 28. On or about July 27, 2020, Plaintiffs provided written notice via certified mail to
7 the Labor and Workforce Development Agency ("LWDA") and Defendants of the specific
8 provisions of the Labor Code alleged to have been violated, including the facts and theories to
9 support the alleged violations.

10 29. The LWDA failed to respond to Plaintiffs' counsel's correspondence dated July
11 27, 2020, and failed to notify Plaintiffs' counsel as to whether it would investigate the allegations
12 contained therein, within 65 calendar days of the postmark date of Plaintiff' correspondence as
13 required under Labor Code §2699.3. Plaintiffs have fully complied with the notice requirements
14 set forth in Labor Code §2699.3 in order to commence a civil action against an employer
15 pursuant to Labor Code §2699.

16 30. Defendants' failure to pay Plaintiffs for all hours worked, minimum wages,
17 overtime compensation, failure to provide meal periods, failure to authorize and permit rest
18 periods, failure to pay all wages upon termination or resignation, unlawful deductions, and
19 failure to provide accurate itemized wage statements, will subject Defendants to civil penalties
20 pursuant to, without limitation, Labor Code §§ 210, 226.3, 256, 558, 1174.5, 1197.1, 1198, 2699
21 and IWC Wage Order 7-2001.

22 31. Plaintiffs are aggrieved employees as defined in Labor Code §§2699(a) and (c),
23 and related Labor Code provisions. Plaintiffs bring the causes of action below on behalf of
24 themselves, as private attorneys general, and in a representative capacity on behalf of other
25 aggrieved employees, affected by the labor law violations alleged herein.

26 **A. FAILURE TO PAY ALL WAGES AND OVERTIME COMPENSATION**

27 32. Labor Code §1194 states that any employee receiving less than the legal
28 minimum wage or the legal overtime compensation applicable to the employee is entitled to

1 recover the unpaid balance of the full amount of this minimum wage or overtime compensation,
2 including interest thereon, reasonable attorney's fees, and costs of suit.

3 33. Labor Code §1197 states that the minimum wage for employees fixed by the
4 commission is the minimum wage to be paid to employees, and the payment of a lesser wage
5 than the minimum so fixed is unlawful.

6 34. Labor Code §510(a) and IWC Wage Order 7-2001 regulating payment of wages
7 in the state of California, provide that eight (8) hours of labor constitutes a day's work and any
8 work in excess of eight (8) hours in one (1) workday and any work in excess of forty (40) hours
9 in any one workweek shall be compensated at the rate of no less than one and one-half times the
10 regular rate of pay for each employee and any work in excess of twelve (12) hours in any one
11 workday shall be compensated at the rate of no less than twice the regular rate of pay for each
12 employee.

13 35. At all relevant times, Defendants required Plaintiffs to perform work without
14 compensation in violation of the IWC Wage Order 7-2001 and the Labor Code. Specifically,
15 Plaintiffs were not paid for all of their hours worked, in that Defendants failed to pay non-
16 exempt hourly workers such as Plaintiffs for all of their hours worked. Instead, Defendants
17 simply provided a lump sum amount not tied to the hours worked. Defendants also violated the
18 minimum wage laws by frequently paying a lump sum amount on paychecks that did not satisfy
19 California's minimum wage requirements. Defendants are therefore in violation of Labor Code
20 §§510 and 1194, and IWC Wage Order 7-2001.

21 36. Pursuant to Labor Code §218.6 and Civil Code §3287, Plaintiffs seek recovery of
22 pre-judgment interest on all amounts recovered herein. Plaintiffs further request that this Court
23 award reasonable attorneys' fees and costs incurred in this action pursuant to Labor Code
24 §§1194(a) and/or 2699.

25 37. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
26 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
27 limited to Labor Code §§558, 1197.1, and 2699(f). Plaintiffs seek only to recover the civil
28 penalties provided for in §§558(a) and 1197.1 for the violations alleged herein, and do not seek

1 to recover underpaid wages.

2 **B. MEAL PERIODS (Labor Code §§226.7 and 512)**

3 38. Labor Code §512 and IWC Wage Order 7-2001 state that an employer may not
4 employ an employee for a work period of more than five (5) hours per day without providing the
5 employee a meal period of not less than 30 minutes, and an employer may not employ an
6 employee for a work period of more than 10 hours per day without providing the employee with
7 a second meal period of not less than 30 minutes. Wage Order 7-2001 states that unless the
8 employee is relieved of all duty during a 30-minute meal period, the meal period shall be
9 considered an “on duty” meal period and counted as time worked. Labor Code §226.7(a) further
10 states that no employer shall require any employee to work during any meal or rest period
11 mandated by an applicable order of the IWC. Moreover, an employer is prohibited from exerting
12 coercion against the taking of, creating incentives to forego, or otherwise encouraging the
13 skipping of legally protected breaks.

14 39. Plaintiffs were not provided with nor given the opportunity to take the requisite
15 meal periods before the end of the first 5 hours of work, nor were they provided with or given the
16 opportunity to take a proper second meal period during the days when they worked more than 10
17 hours in a day.

18 40. Pursuant to Labor Code §226.7(b) and IWC Wage Order 7-2001, if an employer
19 fails to provide an employee a meal period in accordance with the applicable provisions of IWC
20 Wage Order 7-2001, the employer shall pay the employee one (1) hour of pay at the employee’s
21 regular rate of compensation for each workday that the meal period is not provided. As such,
22 Plaintiffs are entitled to an additional one hour’s pay for each day in which Plaintiffs were not
23 provided a proper meal break under the above-described authorities.

24 41. Labor Code §558 and IWC Wage Order 7-2001 state, in pertinent part, that any
25 employer or other person acting on behalf of an employer who violates, or causes to be violated,
26 a section of any provision regulating hours and days of work in any order of the IWC shall be
27 subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each
28 underpaid employee for each pay period for which the employee was underpaid in addition to an

1 amount sufficient to recover underpaid wages; (2) For each subsequent violation, one hundred
2 dollars (\$100) for each underpaid employee for each pay period for which the employee was
3 underpaid in addition to an amount sufficient to recover underpaid wages. Plaintiffs seek only to
4 recover the civil penalty provided for in §558(a) for the violations alleged herein, and do not
5 seek to recover underpaid wages.

6 42. Plaintiffs request that the Court award interest on all unpaid wages at the legal
7 rate specified by Civil Code §3289(b), accruing from the date the wages were due and payable
8 pursuant to Labor Code §218.6.

9 43. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
10 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
11 limited to Labor Code §§558 and 2699(f).

12 **C. REST PERIODS (Labor Code §226.7)**

13 44. IWC Wage Order 7-2001 states that every employer shall authorize and permit all
14 employees to take rest periods. The authorized rest period time shall be based on the total hours
15 worked daily at the rate of ten (10) minutes net rest time per four hours of work, or major
16 fraction thereof. An employer must provide employees with 10 minutes rest for shifts from three
17 and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours,
18 30 minutes for shifts of more than 10 hours up to 14 hours, and so on. Furthermore, Labor Code
19 §1198 provides, in pertinent part: . . . The employment of any employee for longer hours than
20 those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

21 45. Plaintiffs were not permitted to take proper rest periods and/or were required to
22 work during any “rest periods” in contravention of California law. Further, Plaintiffs and other
23 aggrieved employees were required to waive the taking of their rest breaks because of the
24 business of Defendants’ operations, and/or were coerced not to take legally mandated rest
25 periods by Defendants’ criticizing, disciplining and/or reprimanding Plaintiffs and other
26 aggrieved employees who attempted to take legally required rest periods; failed to schedule rest
27 periods; and pressured Plaintiffs to remain available at their stations.

28 46. Defendants further adopted and implemented commission and other pay policies

1 that failed to separately compensate Plaintiffs for their rest periods pursuant to *Vaquero v.*
2 *Stoneledge Furniture LLC*, 9 Cal.App.5th 98 (2017), and Defendants failed to pay Plaintiffs a
3 missed rest period premium payment for each rest period that was not authorized or permitted,
4 and/or failed to pay such rest period premium at Plaintiffs' regular rate of pay.

5 47. Pursuant to Labor Code §226.7(b) and IWC Wage Order 10-2001, if an employer
6 fails to provide an employee a rest period in accordance with the applicable provisions of IWC
7 Wage Order 7-2001, the employer shall pay the employee one (1) hour of pay at the employee's
8 regular rate of compensation for each workday that the rest period is not provided.

9 48. As such, Plaintiffs are entitled to an additional one hour of pay for each day in
10 which they were not provided a proper rest period under the above-described authorities.

11 49. Plaintiffs request that the Court award interest on all unpaid wages at the legal
12 rate specified by Civil Code §3289(b), accruing from the date the wages were due and payable
13 pursuant to Labor Code §218.6.

14 50. Labor Code §558 and IWC Wage Order 7-2001 state, in pertinent part, that any
15 employer or other person acting on behalf of an employer who violates, or causes to be violated,
16 a section of any provision regulating hours and days of work in any order of the IWC shall be
17 subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each
18 underpaid employee for each pay period for which the employee was underpaid in addition to an
19 amount sufficient to recover underpaid wages; (2) For each subsequent violation, one hundred
20 dollars (\$100) for each underpaid employee for each pay period for which the employee was
21 underpaid in addition to an amount sufficient to recover underpaid wages. Pursuant to Labor
22 Code §§558, 1198 and 2699, and/or IWC Wage Order 7-2001, Plaintiffs are entitled to civil
23 penalties for each pay period in which Defendants underpaid their wages as set forth herein.
24 Plaintiffs seek only to recover the civil penalty provided for in §558(a) for the violations alleged
25 herein, and do not seek to recover underpaid wages.

26 51. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
27 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
28 limited to Labor Code §§558, 2699(f), and IWC Wage Order 7-2001.

1 **E. UNLAWFUL DEDUCTIONS**

2 52. Labor Code §221 provides: “It shall be unlawful for any employer to collect or
3 receive from any employee any part of wages theretofore paid by said employer to said
4 employee.”

5 53. Labor Code §223 provides: “Where any statute or contract requires an employer
6 to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while
7 purporting to pay the wage designated by statute or by contract.”

8 54. Defendants unlawfully collected, received and/or paid Plaintiffs lower wages than
9 permitted by statute and/or contract, by deducting earned wages as a setoff against commissions
10 earned, among other things.

11 55. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
12 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
13 limited to Labor Code §§225.5 and 2699(f).

14 **F. FAILURE TO PROPERLY MAINTAIN AND SUBMIT ACCURATE**
15 **ITEMIZED WAGE STATEMENTS (Labor Code §226)**

16 56. Labor Code §§226, 1174, and/or IWC Wage Order 7-2001 require employers to
17 maintain and provide employees accurate time and employment records, as well as itemized
18 wage statements showing, among other things, gross wages earned, the total hours worked by the
19 employee, all deductions, net wages earned, all applicable hourly rates in effect during the pay
20 period and the corresponding number of hours worked at each hourly rate by the employee.
21 Furthermore, Wage Order 7-2001 and Labor Code §226 requires every employer to keep
22 accurate information with respect to each employee, including: (1) the employee’s full name,
23 home address, occupation, social security number, employee’s date of birth, and time records
24 showing when the employee begins and ends each work period; (2) an employee’s meal periods;
25 (3) total wages paid each payroll period; and (4) total hours worked during the payroll period and
26 applicable rates of pay.

27 57. Defendants failed to properly maintain itemized wage statements in that, among
28 other things, the wage statements provided do not set forth the accurate number of hours worked,

1 correct rates of pay, all overtime compensation, meal periods, premium pay, proper deductions,
2 and other related information required by California law. In addition, in implementing their
3 illegal rest period policies and practices regarding Plaintiffs, Defendants failed to record wages
4 for rest period and meal period premiums and other wages that should have been paid to
5 Plaintiffs as required by California law. Defendants have failed to record all items delineated in
6 Labor Code §226 and the applicable IWC Wage Order, and required under Labor Code §1174.
7 Plaintiffs are informed and believe that these failures were knowing and intentional by
8 Defendants as Defendants sought to deprive Plaintiffs of their legitimate right to unpaid wages,
9 and otherwise deprive them of their proper compensation. As a result of Defendants' intentional
10 and knowing failure to maintain adequate itemized statements, Plaintiffs could not ascertain the
11 actual amount of compensation they earned and/or were entitled to, and thereby are presumed to
12 have suffered cognizable injury in the form of the accrual of unpaid wages, overtime, and
13 interest pursuant to Labor Code §226(e)(2).

14 58. Pursuant to Labor Code §226(e), an employee who suffers injury as a
15 result of an employer's knowing and intentional failure to comply with subdivision (a), is
16 entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period
17 in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a
18 subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000), and
19 is entitled to an award of costs and reasonable attorney's fees.

20 59. Pursuant to Labor Code §226.3, "[a]ny employer who violates subdivision (a) of
21 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250)
22 per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee
23 for each violation in a subsequent citation. . ."

24 60. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
25 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
26 limited to Labor Code §§226.3, 1174.5 and 2699(f), as well as reasonable attorneys' fees and
27 costs.
28

1 **G. WAITING TIME PENALTIES (Labor Code §§201-203)**

2 61. Labor Code §201 states that an employer is required to provide an employee who
3 is terminated all unpaid wages immediately upon termination.

4 62. Plaintiffs are informed and believe and thereon allege that Defendants failed to
5 pay Plaintiffs all wages due and owing immediately upon termination, thereby violating Labor
6 Code §201.

7 63. Labor Code §202 states, in pertinent part, that an employer is required to provide
8 an employee who quits his or her employment all wages due and owing not later than 72 hours
9 thereafter.

10 64. Plaintiffs are informed and believe and thereon allege that Defendants failed to
11 pay Plaintiffs all wages due and owing upon voluntary resignation, thereby violating Labor Code
12 §202.

13 65. Labor Code §203 states that if an employer willfully fails to pay an employee
14 wages according to Labor Code §§201 and 202, these wages shall continue as a penalty for up to
15 a maximum of 30 days.

16 66. Defendants willfully withheld paying Plaintiffs wages thereby violating Labor
17 Code §203, as further set forth herein. As such, Defendants are required to pay Plaintiffs a 30-
18 day wage penalty in addition to all unpaid wages as described herein.

19 67. Pursuant to Labor Code §§2699, 2699.3, and/or 2699.5, Plaintiffs are aggrieved
20 employees, entitled to recover civil penalties pursuant to the Labor Code, including but not
21 limited to Labor Code §§256 and 2699(f).

22 **H. ALL CLAIMS**

23 68. Pursuant to Labor Code §2699, Plaintiffs seek to recover civil penalties, as
24 otherwise provided by statute and wage order, for which Defendants are liable as a result of their
25 violations of the Labor Code and applicable Wage Order(s) in an amount to be proven at trial.
26 These penalties include, but are not limited to, those provided by Labor Code §§210, 225.5,
27 226.3, 256, 558, 1174.5, 1197.1, and 2699. Plaintiffs further seek an award of reasonable
28 attorneys' fees and costs pursuant to the Labor Code §2699(g)(1) and any other applicable

1 statute.

2 **WHEREFORE**, Plaintiffs pray:

- 3 a. For civil penalties pursuant to Labor Code §2699(f), in addition to and entirely
4 independent and apart from other penalties in the Labor Code and for Labor Code
5 violations without a specific civil penalty, in the amount of \$100 for each
6 aggrieved employee per pay period for each violation, and \$200 for each
7 aggrieved employee per pay period for each subsequent violation;
- 8 b. For civil penalties pursuant to Labor Code §558, as follows:
- 9 i. For any initial violation, fifty dollars (\$50) for each aggrieved underpaid
10 employee for each pay period for which the employee was underpaid;
- 11 ii. For each subsequent violation, one hundred dollars (\$100) for each
12 aggrieved underpaid employee for each pay period for which the
13 employee was underpaid;
- 14 c. For civil penalties pursuant to Labor Code §1197.1, as follows:
- 15 i. For any initial violation that is intentionally committed, one hundred
16 dollars (\$100) for each underpaid employee for each pay period for which
17 the employee is underpaid;
- 18 ii. For each subsequent violation for the same offense, two hundred fifty
19 dollars (\$250) for each aggrieved underpaid employee for each pay period
20 for which the employee was underpaid regardless of whether the initial
21 violation is intentionally committed;
- 22 d. For civil penalties per Labor Code §225.5 in the amount of \$100 for each failure
23 to pay each employee, and \$200 for each subsequent failure to pay each
24 employee, plus 25 percent of the amount unlawfully withheld.
- 25 e. For civil penalties per Labor Code §226.3 in the amount of \$250 for each
26 aggrieved employee per pay period for each violation, and \$1,000 for each
27 aggrieved employee per pay period for each subsequent violation;
- 28 f. For civil penalties per Labor Code §1174.5 in the amount of \$500 for each willful

failure to maintain records as required by Labor Code §1174(c);

g. For civil penalties per Labor Code §256 in the amount of one day of pay, at the same rate, for each day that an aggrieved employee was paid late, at the time of termination, until payment was/is made, up to a maximum of thirty (30) days;

h. For civil penalties per Labor Code §210 in the amount of \$100 for each failure to pay each employee, and for each subsequent violation, or any willful or intentional violation, \$200 for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

i. For reasonable attorneys' fees and costs incurred; and

j. For such relief as this Court may deem just and proper.

Dated: October 5, 2020

SHANBERG, STAFFORD & BARTZ LLP

By: /s/ Aaron A. Bartz

ROSS E. SHANBERG

AARON A. BARTZ

Attorneys for Plaintiffs DAVID GOLD and
NELSON HOANG, on behalf of themselves and all
other aggrieved employees

DEMAND FOR JURY TRIAL

Plaintiffs demand a jury trial on all issues triable to a jury.

Dated: October 5, 2020

SHANBERG, STAFFORD & BARTZ LLP

By: /s/ Aaron A. Bartz
ROSS E. SHANBERG
AARON A. BARTZ
Attorneys for Plaintiffs DAVID GOLD and
NELSON HOANG, on behalf of themselves and all
other aggrieved employees

EXHIBIT 4

United Imports

PAGA Claims - July 27, 2019 through July 31, 2021

	Overtime Labor Code §558	Minimum Wage Labor Code §1197.1	Meal Breaks Labor Code §2699	Rest Breaks Labor Code §2699	Paystub Labor Code §226.3	Incorrect Pay Rate Labor Code §225.5	Sub-Total
Employee Count	104	104	104	104	104	104	
First Period Penalty Amount	\$50.00	\$100.00	\$100.00	\$100.00	\$250.00	\$100.00	
Total First Period Penalty	\$5,200.00	\$10,400.00	\$10,400.00	\$10,400.00	\$26,000.00	\$10,400.00	\$72,800.00
Total Pay Period Count	2,011	2,011	2,011	2,011	2,011	2,011	
Net Pay Period Count	1,907	1,907	1,907	1,907	1,907	1,907	
Subsequent Period Penalty Amount	\$100.00	\$250.00	\$200.00	\$200.00	\$1,000.00	\$200.00	
Total Subsequent Period Penalty Amt	\$190,700.00	\$476,750.00	\$381,400.00	\$381,400.00	\$1,907,000.00	\$381,400.00	\$3,718,650.00
Total Penalty	\$195,900.00	\$487,150.00	\$391,800.00	\$391,800.00	\$1,933,000.00	\$391,800.00	\$3,791,450.00

	Labor Code §256	Grand Total
Termination Count	81	
Straight Time Rate	\$20.00	
Hours Per Termination	240.00	
Penalty Per Termination	\$4,800.00	
Total Penalty	\$388,800.00	\$4,180,250.00

Notes:

- Pay period count is based information from opposing counsel.
- Net Pay Period count is calculated by subtracting the employee count from the total pay period count.

EXHIBIT 5

Activities Export

09/20/2022
10:59 AM

Date ▼	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
09/19/2022		Review and revise motion papers and supporting declaration; Prepare proposed Order. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	4.00h	\$750.00	-	\$3,000.00
09/13/2022		Review and revise Motion for PAGA approval, and supporting Declaration. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	2.50h	\$750.00	-	\$1,875.00
09/13/2022		Review of settlement agreement, and call to OPC regarding same. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00h	\$750.00	-	\$750.00
09/06/2022		Prepare Motion for PAGA Settlement, and supporting Declaration. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.00h	\$750.00	-	\$2,250.00
09/02/2022		Prepare Declaration in support of PAGA settlement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	2.50h	\$750.00	-	\$1,875.00
09/01/2022		Review and revise settlement agreement; Prepare Motion for PAGA Approval. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	5.50h	\$750.00	-	\$4,125.00
08/24/2022		Review and consider email from OPC regarding PAGA settlement, and confer with co-counsel regarding same; Review and revise PAGA Settlement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.20h	\$750.00	-	\$900.00
					81.00h		\$0.00 0.00h	\$56,500.00 81.00h

Activities Export

09/20/2022

10:59 AM

Date ▾	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
08/04/2022	 	Conference calls with clients regarding settlement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	0.50h	\$750.00	-	\$375.00
08/02/2022	 	Prepare PAGA Settlement Agreement, and review and revise same; Confer with co-counsel regarding same; Conference call with clients regarding settlement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	4.00h	\$750.00	-	\$3,000.00
07/28/2022	 	Prepare PAGA Settlement Agreement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.00h	\$750.00	-	\$2,250.00
07/26/2022	 	Attend Mediation; Conference calls with clients regarding settlement strategies. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	8.00h	\$750.00	-	\$6,000.00
07/25/2022	 	Review and consider Mediation Brief and supporting documents in preparation for Mediation; Call with OPC regarding Mediation and updated data; Call with RES regarding legal strategies. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	2.50h	\$750.00	-	\$1,875.00
07/19/2022	 	Prepare Mediation Brief, and review and compile Exhibits in support, and research regarding claims in case. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.50h	\$750.00	-	\$2,625.00
06/16/2022		Obtain all conformed copies,	00014-Gold	Nestor	5.00h	\$250.00	-	\$1,250.00
					81.00h		\$0.00 0.00h	\$56,500.00 81.00h

Activities Export

09/20/2022

10:59 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
		Calendar Mtn date, Task Deadlines. Serve and file new amended , go to get additional supplies to serve Motion, go to USPS, serve amended notice of motion, prepared docs ● Unbilled	Gold v. United Imports	Mejia				
06/14/2022	🕒	Finalize Exhibits of all declarations and bookmark with preparation of final filing documents ● Unbilled	00014-Gold Gold v. United Imports	Nestor Mejia	2.00h	\$250.00	-	\$500.00
06/14/2022	🕒	Review and revise motion to intervene and supporting declaration. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.00h	\$750.00	-	\$2,250.00
06/08/2022	🕒	Conference calls with clients D. Gold and N. Hoang regarding litigation strategies; Prepare Complaint in Intervention; Review and consider exhibits in support of intervention, and review and revise declarations. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.00h	\$750.00	-	\$2,250.00
06/06/2022	🕒	Conference call with RES regarding status of case; Review of email from T. Nunes, and research regarding Turrieta case; Prepare responsive email. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.50h	\$750.00	-	\$1,125.00
05/31/2022	🕒	Finalize Depo Notice, Print out and go to U.S. Postal Office	00014-Gold Gold v. United Imports	Nestor Mejia	0.50h	\$250.00	-	\$125.00
					81.00h		\$0.00 0.00h	\$56,500.00 81.00h

Activities Export

09/20/2022

10:59 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
		● Unbilled						
05/27/2022	🕒	Calls to OPC regarding settlement in Rodas case; Review and revise Declaration in support of motion to intervene. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.50h	\$750.00	-	\$1,125.00
05/23/2022	🕒	Review and consider relevant documents in preparation for conference call with A. Nunes; Calls with co-counsel RES regarding legal strategies; Conference call with A. Nunes. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.20h	\$750.00	-	\$900.00
05/21/2022	🕒	Prepare motion to intervene, and continue researching in support of motion. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	3.00h	\$750.00	-	\$2,250.00
05/20/2022	🕒	Research regarding motion to intervene; Revise AB declaration, and prepare D. Gold declaration, and review evidence in support. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	4.50h	\$750.00	-	\$3,375.00
05/19/2022	🕒	Call with T. Liu regarding legal strategies; Prepare Declaration of T. Liu and A. Bartz regarding PAGA issues. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	4.50h	\$750.00	-	\$3,375.00
05/19/2022	🕒	Draft Notice of Depo for Pedram Amin and research	00014-Gold Gold v. United Imports	Nestor Mejia	1.00h	\$250.00	-	\$250.00
					81.00h		\$0.00 0.00h	\$56,500.00 81.00h

Activities Export

09/20/2022

10:59 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
		● Unbilled						
05/18/2022	🕒	Prepare correspondence to OPC regarding later filed Complaint and related issues; Confer with RES regarding same; Research regarding grounds for opposition motion; Conference calls with clients regarding status of case, and legal strategies. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	2.50h	\$750.00	-	\$1,875.00
03/11/2022	🕒	Conference calls with clients D. Gold and J. Wang, and conference call with OPC D. Padova regarding status; Review and revise Stipulation. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	2.00h	\$750.00	-	\$1,500.00
03/04/2022	🕒	Prepare Stipulation to Continue Trial, and call with OPC regarding discovery issues. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.50h	\$750.00	-	\$1,125.00
03/03/2022	🕒	Review of discovery issues, and conference call with D. Padova regarding same. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	0.70h	\$750.00	-	\$525.00
02/15/2022	🕒	Call with OPC regarding case status. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	0.40h	\$750.00	-	\$300.00
01/27/2022	🕒	Review personnel and time records for T. Liu, and research	00014-Gold Gold v. United Imports	Aaron Bartz	2.00h	\$750.00	-	\$1,500.00
					81.00h		\$0.00 0.00h	\$56,500.00 81.00h

Activities Export

09/20/2022
10:59 AM

Date	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
		regarding legal strategies in proceeding with action.						
		● Unbilled						
					81.00h		\$0.00	\$56,500.00
							0.00h	81.00h

EXHIBIT 6

Activities Export

09/20/2022
10:58 AM

Date ▼	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
09/19/2022	\$	Filing and Service Fees for Motion for PAGA Approval (anticipated). ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$100.00	-	\$100.00
09/13/2022	\$	Hearing Reservation Fees. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$20.55	-	\$20.55
08/26/2022	\$	Hearing reservation fees. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$20.55	-	\$20.55
07/26/2022	\$	Court reservation - Hearing on PAGA settlement. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$61.65	-	\$61.65
07/14/2022	\$	JAMS Mediation Fees (Judge West). ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$2,969.47	-	\$2,969.47
06/16/2022	\$	Filing of Notice of Motion 6-16-2022 ● Unbilled	00014-Gold Gold v. United Imports	Nestor Mejia	1.00	\$18.30	-	\$18.30
06/16/2022	\$	Filing fees for Motion to Intervene. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$79.30	-	\$79.30
03/18/2022	\$	Service fees re: Order for trial continuance. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$5.00	-	\$5.00
03/15/2022	\$	Court filing re: Joint Stipulation. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$36.70	-	\$36.70
01/17/2022	\$	Notice of Association of Attorney. ● Unbilled	00014-Gold Gold v. United Imports	Aaron Bartz	1.00	\$16.20	-	\$16.20
							\$0.00 0.00h	\$3,327.72 0.00h

EXHIBIT 7

ILYM GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: TBD247 Employees

Requesting Attorneys Name: Aaron Bartz
 E-Mail: aaron@bartzlawgroup.com
 ILYM Contact: Jonathan Paul
 E-Mail: Jonathan@ilymgroup.com
 Contact Number: 310.948.7117

Assumptions: PAGA Settlement

ASSUMPTIONS	
Total Estimated # of Class Members	247
Estimated Percentage of Remails	10%
NCOA	Yes
Certified Spanish Translation	No
Case Duration (Years)	1

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Project Manager (Case notification and maintenance)	Hourly	\$120.00	5	\$600.00
NCOA	Flat Rate	\$250.00	1	\$250.00
Toll-Free Call Center	Flat Rate	\$497.04	1	\$497.04
Certified Spanish Translation	Flat Fee	\$0.00	0	\$0.00
standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.				
Subtotal				\$1,647.04

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
1st Notice, Check, Stub & Release - (including 1099)	Per Check	\$2.00	247	\$494.00
USPS First Class 1oz Postage	Per Piece	\$0.60	247	\$148.20
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$4.00	15	\$59.28
2nd Notice, Check, Stub & Release - (including 1099)	Per Check	\$2.00	247	\$494.00
USPS First Class 1oz Postage	Per Piece	\$0.60	247	\$148.20
Remails (Forward/Skip Trace Undeliverables)	Per Piece	\$4.00	15	\$59.28
Preparation of Taxes	Hourly	\$125.00	5	\$625.00
Annual Filing of Tax Return	Per Year	\$1,000.00	2	\$2,000.00
*Additional Bank fees may apply				
Subtotal				\$5,402.96

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Declaration	Hourly	\$125.00	2	\$250.00
Subtotal				\$450.00

TOTAL CASE ESTIMATE - NOT TO EXCEED: \$7,500.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

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.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

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 8