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Proposed Plaintiff Maricel J. Santa Ana

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

ALBERT EBUÉN, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

v.

RED RIBBON BAKESHOP INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No.: BC715064

Honorable Kenneth R. Freeman
Department SSC14

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: January 26, 2021
Time: 10:00 a.m.
Department: SSC14

Complaint Filed: July 26, 2018
Trial Date: None Set

1 This matter has come before the Honorable Kenneth R. Freeman in Department SSC14 of
2 the Superior Court of the State of California, for the County of Los Angeles, on January 26, 2021 at
3 10:00 a.m. for Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. Lawyers for
4 Justice, PC appears as counsel for Plaintiff Albert Ebuén and Proposed Plaintiff Maricel J. Santa
5 Ana (together, "Plaintiffs"), individually and on behalf of all others similarly situated and other
6 aggrieved employees and Atkinson, Andelson, Loya, Ruud & Romo appears as counsel for
7 Defendant Red Ribbon Bake Shop, Inc. ("Defendant").

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby GRANTS Plaintiffs' Motion for
10 Preliminary Approval of Class Action Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the Stipulation of Settlement ("Settlement,"
13 "Agreement," or "Settlement Agreement"), attached as "EXHIBIT 1" to the Declaration of Edwin
14 Aiwanian in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement.
15 This is based on the Court's determination that the Settlement falls within the range of possible
16 approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement,
18 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 3. The Court hereby grants Plaintiff Ebuén leave to file the [Proposed] First Amended
21 Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act,
22 California Labor Code § 2698, Et Seq. ("First Amended Complaint") which is attached hereto as
23 "**EXHIBIT A.**" The First Amended Complaint shall be deemed filed as of the date of the entry of
24 this Order, and shall be the operative complaint in the action for purpose of Settlement, including the
25 release of claims. Defendant shall have ten (10) court days from the entry of this Order to file an
26 Answer to the First Amended Complaint.

27 4. It appears to the Court on a preliminary basis that the Settlement is fair, adequate
28 and reasonable. It appears to the Court that extensive investigation and research have been

1 conducted such that counsel for the parties at this time are able to reasonably evaluate their respective
2 positions. It further appears to the Court that the Settlement, at this time, will avoid substantial
3 additional costs by all parties, as well as avoid the delay and risks that would be presented by the
4 further prosecution of the case. It further appears that the Settlement has been reached as the result
5 of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

6 5. The Court preliminarily finds that the Settlement, including the allocations for the
7 Attorneys' Fees and Litigation Costs, Enhancement Payments, LWDA Payment, Settlement
8 Administration Costs, and payments to the Settlement Class Members provided thereby, appear to
9 be within the range of reasonableness of a settlement that could ultimately be given final approval
10 by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part of
11 the Settlement and preliminarily finds that the monetary settlement awards made available to the
12 Class Members are fair, adequate, and reasonable when balanced against the probable outcome of
13 further litigation relating to certification, liability, and damages issues.

14 6. The Court concludes that, for settlement purposes only, the proposed Class meets
15 the requirements for certification under section 382 of the California Code of Civil Procedure in
16 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
17 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
18 community of interest amongst the members of the Class with respect to the subject matter of the
19 litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs
20 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
21 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
22 Counsel is qualified to act as counsel for Plaintiffs in their individual capacities and as the
23 representatives of the Class.

24 7. The Court conditionally certifies, for settlement purposes only, the Class, defined as
25 follows:

26 All current and former hourly-paid or non-exempt employees who worked for
27 Defendant Red Ribbon Bake Shop, Inc. within the State of California at any time
28 during the period of July 26, 2014 through March 1, 2020.

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1 8. The Court provisionally appoints Lawyers *for* Justice, PC as counsel for the Class
2 (“Class Counsel”).

3 9. The Court provisionally appoints Plaintiff Albert Ebuén and Proposed Plaintiff
4 Maricel J. Santa Ana as the representatives of the Class (“Class Representatives”).

5 10. The Court provisionally appoints Simpluris, Inc. (“Simpluris”) to handle the
6 administration of the Settlement (“Settlement Administrator”).

7 11. Within thirty (30) calendar days of the date of entry of this Order, Defendant shall
8 provide the Settlement Administrator with the following information: full names, last known
9 addresses, and Social Security numbers (in electronic format) of Class Members, as well as the dates
10 of employment for and Workweeks worked by each Class Member (“Class List”) in conformity with
11 the Settlement Agreement.

12 12. The Court approves, both as to form and content, the Notice of Class Action
13 Settlement (“Class Notice”) attached hereto as “**EXHIBIT B.**” The Class Notice shall be provided
14 to Class Members in the manner set forth in the Settlement Agreement. The Court finds that the
15 Class Notice appears to fully and accurately inform the Class Members of all material elements of
16 the Settlement, of Class Members’ right to be excluded from the Settlement by submitting an opt
17 out request, of Class Members’ right to dispute the Workweeks credited to each of them, and of each
18 Settlement Class Member’s right and opportunity to object to the Settlement by submit an Objection
19 to the Settlement Administrator. The Court further finds that distribution of the Class Notice
20 substantially in the manner and form set forth in the Settlement Agreement and this Order, and that
21 all other dates set forth in the Settlement Agreement and this Order, meet the requirements of due
22 process and shall constitute due and sufficient notice to all persons entitled thereto. The Court
23 further orders the Settlement Administrator to mail the Class Notice to all Class Members within
24 seven (7) calendar days of receipt of the Class List, pursuant to the terms set forth in the Settlement
25 Agreement.

26 13. The Court hereby preliminarily approves the proposed procedure, set forth in the
27 Settlement Agreement, for seeking exclusion from the Settlement. Any Class Member may choose
28 to be excluded from the Settlement by submitting a timely written request to be excluded from the

Settlement in conformity with the requirements set forth in the Class Notice, to the Settlement Administrator, postmarked no later than the date which is sixty (60) calendar days from the initial mailing of the Class Notice to Class Members, or, in the case of a re-mailed Class Notice, the later of fifteen (15) calendar days from the date of the re-mailing or the original 60-day deadline (“Response Deadline”). Any such person who timely and validly chooses to opt out of, and be excluded from, the Settlement will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Class Members who have not submitted a timely and valid request to be excluded from the Settlement (i.e., Settlement Class Member) shall be bound by the Settlement Agreement and any final judgment based thereon.

14. A Final Approval Hearing shall be held before this Court on _____ at _____ a.m./p.m. in Department SSC14 of the Los Angeles County Superior Court, located at Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012, to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the action on the terms and conditions provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the Class Members; and determine whether to finally approve the requests for the Attorneys’ Fees and Litigation Costs, Enhancement Payments, and Settlement Administration Costs.

15. Class Counsel shall file a motion for final approval of the Settlement and for Attorneys’ Fees and Litigation Costs, Enhancement Payments, and Settlement Administration Costs, along with the appropriate declarations and supporting evidence, including the Settlement Administrator’s declaration, by _____, to be heard at the Final Approval Hearing.

16. To object to the Settlement, a Class Member must submit his or her objection to the Settlement Administrator on or before the Response Deadline. The Objection must be signed and must contain the information that is required, as set forth in the Class Notice, including and not

1 limited to the grounds for the objection.

2 17. The Settlement is not a concession or admission, and shall not be used against
3 Defendant as an admission or indication with respect to any claim of any fault or omission by
4 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
5 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
6 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
7 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
8 evidence of a presumption, concession, indication or admission by Defendant of any liability, fault,
9 wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
10 implementation, interpretation, or enforcement of the Settlement.

11 18. In the event the Settlement does not become effective in accordance with the terms
12 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled
13 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
14 vacated, and the Parties shall revert back to their respective positions as of before entering into the
15 Settlement Agreement.

16 19. The Court reserves the right to adjourn or continue the date of the Final Approval
17 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
18 Members, and retains jurisdiction to consider all further applications arising out of or connected with
19 the Settlement.

20 **IT IS SO ORDERED.**

21
22 Dated: _____

By:

The Honorable KENNETH R. FREEMAN
Judge of the Superior Court

EXHIBIT A

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Attorneys for Plaintiffs

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

ALBERT EBUEN, individually, and on
behalf of other members of the general
public similarly situated; MARICEL J.
SANTA ANA, individually, and on behalf
of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the
California Private Attorneys General Act;

Plaintiffs,

vs.

RED RIBBON BAKESHOP INC., a
California corporation; and DOES 1
through 100, inclusive,

Defendants.

Case No.: BC715064

Honorable Kenneth R. Freeman
Department SSC14

**[PROPOSED] FIRST AMENDED CLASS
ACTION COMPLAINT FOR DAMAGES
AND ENFORCEMENT UNDER THE
PRIVATE ATTORNEYS GENERAL ACT,
CAL. LABOR CODE § 2698 ET SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment);
- (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records);
- (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (10) Violation of California Business & Professions Code §§ 17200, et seq.
- (11) Violation of California Labor Code § 2698, et seq. (Private Attorneys General Act of 2004)

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiffs ALBERT EBUEN (“Plaintiff EBUEN”), individually, and on behalf of other members of the general public similarly situated and MARICEL J. SANTA ANA (“Plaintiff SANTA ANA”), individually, and on behalf of other members of the public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act (“PAGA”), and allege as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the California Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiffs exceed the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over Defendant because, upon information and belief, Defendant is a citizen of California, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market so as to render the exercise of jurisdiction over it by California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendant maintains offices, has agents, employs individuals, and/or transacts business in the State of California, County of Los Angeles. The majority of acts and omissions alleged herein relating to Plaintiffs and the other class members took place in the State of California, including the County of Los Angeles. At all relevant times, Defendant maintained its headquarters/“nerve center” within the State of California, County of Los Angeles.

PARTIES

5. Plaintiff ALBERT EBUEN is an individual residing in the State of California, County of Los Angeles.

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1 6. Plaintiff MARICEL J. SANTA ANA is an individual residing in the State of
2 California, County of San Mateo.

3 7. Defendant RED RIBBON BAKESHOP INC., at all times herein mentioned, was
4 and is, upon information and belief, a California corporation and, at all times herein
5 mentioned, an employer whose employees are engaged throughout the State of California,
6 including the County of Los Angeles.

7 8. At all relevant times, Defendant RED RIBBON BAKESHOP INC. was the
8 “employer” of Plaintiffs within the meaning of all applicable California laws and statutes.

9 9. At all times herein relevant, Defendants RED RIBBON BAKESHOP INC., and
10 DOES 1 through 100, and each of them, were the agents, partners, joint venturers, joint
11 employers, representatives, servants, employees, successors-in-interest, co-conspirators and/or
12 assigns, each of the other, and at all times relevant hereto were acting within the course and
13 scope of their authority as such agents, partners, joint venturers, joint employers,
14 representatives, servants, employees, successors, co-conspirators and/or assigns, and all acts or
15 omissions alleged herein were duly committed with the ratification, knowledge, permission,
16 encouragement, authorization and/or consent of each defendant designated as a DOE herein.

17 10. The true names and capacities, whether corporate, associate, individual or
18 otherwise, of defendants DOES 1 through 100, inclusive, are unknown to Plaintiffs who sue
19 said defendants by such fictitious names. Plaintiffs are informed and believe, and based on
20 that information and belief alleges, that each of the defendants designated as a DOE is legally
21 responsible for the events and happenings referred to in this Complaint, and unlawfully caused
22 the injuries and damages to Plaintiffs and the other class members as alleged in this Complaint.
23 Plaintiffs will seek leave of court to amend this Complaint to show the true names and
24 capacities when the same have been ascertained.

25 11. Defendant RED RIBBON BAKESHOP INC. and DOES 1 through 100 will
26 hereinafter collectively be referred to as “Defendants.”

27 12. Plaintiffs further allege that Defendants directly or indirectly controlled or
28 affected the working conditions, wages, working hours, and conditions of employment of

1 Plaintiffs and the other class members so as to make each of said Defendants employers liable
2 under the statutory provisions set forth herein.

3 **CLASS ACTION ALLEGATIONS**

4 13. Plaintiffs bring this action on his own behalf and on behalf of all other members
5 of the general public similarly situated, and, thus, seeks class certification under California
6 Code of Civil Procedure section 382.

7 14. The proposed class is defined as follows:

8 All current and former hourly-paid or non-exempt employees who worked for
9 any of the Defendants within the State of California at any time during the
10 period from July 26, 2014 to final judgment.

11 15. Plaintiffs reserve the right to establish subclasses as appropriate.

12 16. The class is ascertainable and there is a well-defined community of interest in
13 the litigation:

14 a. Numerosity: The class members are so numerous that joinder of all class
15 members is impracticable. The membership of the entire class is
16 unknown to Plaintiffs at this time; however, the class is estimated to be
17 greater than fifty (50) individuals and the identity of such membership is
18 readily ascertainable by inspection of Defendants' employment records.

19 b. Typicality: Plaintiffs' claims are typical of all other class members' as
20 demonstrated herein. Plaintiffs will fairly and adequately protect the
21 interests of the other class members with whom he has a well-defined
22 community of interest.

23 c. Adequacy: Plaintiffs will fairly and adequately protect the interests of
24 each class member, with whom he has a well-defined community of
25 interest and typicality of claims, as demonstrated herein. Plaintiffs have
26 no interest that is antagonistic to the other class members. Plaintiffs'
27 attorneys, the proposed class counsel, are versed in the rules governing
28 class action discovery, certification, and settlement. Plaintiffs have

1 incurred, and during the pendency of this action will continue to incur,
2 costs and attorneys' fees, that have been, are, and will be necessarily
3 expended for the prosecution of this action for the substantial benefit of
4 each class member.

5 d. Superiority: A class action is superior to other available methods for the
6 fair and efficient adjudication of this litigation because individual joinder
7 of all class members is impractical.

8 e. Public Policy Considerations: Certification of this lawsuit as a class
9 action will advance public policy objectives. Employers of this great
10 state violate employment and labor laws every day. Current employees
11 are often afraid to assert their rights out of fear of direct or indirect
12 retaliation. However, class actions provide the class members who are
13 not named in the complaint anonymity that allows for the vindication of
14 their rights.

15 17. There are common questions of law and fact as to the class members that
16 predominate over questions affecting only individual members. The following common
17 questions of law or fact, among others, exist as to the members of the class:

18 a. Whether Defendants' failure to pay wages, without abatement or
19 reduction, in accordance with the California Labor Code, was willful;

20 b. Whether Defendants' had a corporate policy and practice of failing to
21 pay their hourly-paid or non-exempt employees within the State of
22 California for all hours worked and missed (short, late, interrupted,
23 and/or missed altogether) meal periods and rest breaks in violation of
24 California law;

25 c. Whether Defendants required Plaintiffs and the other class members to
26 work over eight (8) hours per day and/or over forty (40) hours per week
27 and/or over six (6) days per workweek and failed to pay the legally
28 required overtime compensation to Plaintiffs and the other class

members;

- d. Whether Defendants deprived Plaintiffs and the other class members of meal and/or rest periods or required Plaintiffs and the other class members to work during meal and/or rest periods without compensation;
- e. Whether Defendants failed to pay minimum wages to Plaintiffs and the other class members for all hours worked;
- f. Whether Defendants failed to pay all wages due to Plaintiffs and the other class members within the required time upon their discharge or resignation;
- g. Whether Defendants failed to timely pay all wages due to Plaintiffs and the other class members during their employment;
- h. Whether Defendants complied with wage reporting as required by the California Labor Code; including, *inter alia*, section 226;
- i. Whether Defendants kept complete and accurate payroll records as required by the California Labor Code, including, *inter alia*, section 1174(d);
- j. Whether Defendants failed to reimburse Plaintiffs and the other class members for necessary business-related expenses and costs;
- k. Whether Defendants' conduct was willful or reckless;
- l. Whether Defendants engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*;
- m. The appropriate amount of damages, restitution, and/or monetary penalties resulting from Defendants' violation of California law; and
- n. Whether Plaintiffs and the other class members are entitled to compensatory damages pursuant to the California Labor Code.

PAGA ALLEGATIONS

18. At all times herein set forth, PAGA was applicable to Plaintiff SANTA ANA's employment by Defendants.

1 19. At all times herein set forth, PAGA provides that any provision of law under the
2 California Labor Code that provides for a civil penalty, including unpaid wages and premium
3 wages, to be assessed and collected by the LWDA for violations of the California Labor Code
4 may, as an alternative, be recovered through a civil action brought by an aggrieved employee
5 on behalf of himself and other current or former employees pursuant to procedures outlined in
6 California Labor Code section 2699.3.

7 20. Pursuant to PAGA, a civil action under PAGA may be brought by an “aggrieved
8 employee,” who is any person that was employed by the alleged violator and against whom
9 one or more of the alleged violations was committed.

10 21. Plaintiff SANTA ANA was employed by Defendants and the alleged violations
11 were committed against him during his time of employment and she is, therefore, an aggrieved
12 employee. Plaintiff SANTA ANA and the other employees are “aggrieved employees” as
13 defined by California Labor Code section 2699(c) in that they are current or former employees
14 of Defendants, and one or more of the alleged violations were committed against them.

15 22. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
16 employee, including Plaintiff SANTA ANA, may pursue a civil action arising under PAGA
17 after the following requirements have been met:

18 a. The aggrieved employee shall give written notice by certified mail
19 (hereinafter “Employee's Notice”) to the LWDA and the employer of the
20 specific provisions of the California Labor Code alleged to have been
21 violated, including the facts and theories to support the alleged
22 violations.

23 b. The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
24 employer and the aggrieved employer by certified mail that it does not
25 intend to investigate the alleged violation within sixty (60) calendar days
26 of the postmark date of the Employee’s Notice. Upon receipt of the
27 LWDA Notice, or if the LWDA Notice is not provided within sixty-five
28 (65) calendar days of the postmark date of the Employee’s Notice, the

aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties in addition to any other penalties to which the employee may be entitled.

23. On July 15, 2020, Plaintiff SANTA ANA provided written notice by certified mail to the LWDA and to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Therefore, the administrative prerequisites under California Labor Code section 2699.3(a) to recover civil penalties, in addition to other remedies, for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 have been satisfied.

GENERAL ALLEGATIONS

24. At all relevant times set forth herein, Defendants employed Plaintiffs and other persons as hourly-paid or non-exempt employees within the State of California, including the County of Los Angeles.

25. Defendants, jointly and severally, employed Plaintiff EBUEN as an hourly-paid, non-exempt employee, from approximately March 2011 to approximately November 2015, in the State of California, County of Los Angeles.

26. Defendants, jointly and severally, employed Plaintiff SANTA ANA as an hourly-paid, non-exempt employee, from approximately February 2017 to approximately March 2017 in the State of California, County of San Mateo.

27. Defendants hired Plaintiffs and the other class members, classified them as hourly-paid or non-exempt employees, and failed to compensate them for all hours worked and missed meal periods and/or rest breaks.

28. Defendants had the authority to hire and terminate Plaintiffs and the other class members, to set work rules and conditions governing Plaintiffs' and the other class members' employment, and to supervise their daily employment activities.

29. Defendants exercised sufficient authority over the terms and conditions of Plaintiffs' and the other class members' employment for them to be joint employers of

1 Plaintiffs and the other class members.

2 30. Defendants directly hired and paid wages and benefits to Plaintiffs and the other
3 class members.

4 31. Defendants continue to employ hourly-paid or non-exempt employees within the
5 State of California.

6 32. Plaintiffs and the other class members worked over eight (8) hours in a day,
7 forty (40) hours in a week, and/or over six (6) days in a workweek during their employment
8 with Defendants.

9 33. Plaintiffs are informed and believes, and based thereon alleges, that Defendants
10 engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or
11 non-exempt employees within the State of California. This scheme involved, *inter alia*, failing
12 to pay them for all hours worked and missed meal periods and rest breaks in violation of
13 California law.

14 34. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
15 knew or should have known that Plaintiffs and the other class members were entitled to receive
16 certain wages for overtime compensation and that they were not receiving accurate overtime
17 compensation for all overtime hours worked. The deficiencies include, *inter alia*, requiring
18 Plaintiffs and the other class members to perform work overtime off-the-clock, the failure to
19 include earned commissions, non-discretionary bonuses, monetary and non-monetary
20 incentives, non-discretionary production and/or performance pay, and/or shift differentials to
21 calculate the regular rate of pay used to calculate the overtime rate.

22 35. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
23 failed to provide Plaintiffs and the other class members all required rest and meal periods
24 during the relevant time period as required under the Industrial Welfare Commission Wage
25 Orders and thus they are entitled to any and all premium wages.

26 36. Defendants' failure included, *inter alia*, failing to provide uninterrupted ten (10)
27 minute rest periods and timely, uninterrupted thirty (30) minute meal periods to Plaintiffs and the
28 other class members. Plaintiffs and the other class members were required to perform work

1 during meal periods and rest periods, and Defendant incentivized Plaintiffs and the other class
2 members to forego statutorily required meal periods and rest periods.

3 37. Plaintiffs are informed and believe, and based thereon allege, that Defendants
4 failed to relieve Plaintiffs and the other class members of all duties, failed to relinquish control
5 over Plaintiffs and the other class members' activities, failed to permit Plaintiffs and the other
6 class members a reasonable opportunity to take, and impeded or discouraged them from taking
7 thirty (30) minute uninterrupted meal breaks no later than the end of their fifth hour of work
8 for shifts lasting at least six (6) hours, and/or to take second thirty (30) minute uninterrupted
9 meal breaks no later than their tenth hour of work for shifts lasting more than ten (10) hours.

10 38. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
11 knew or should have known that Plaintiffs and the other class members were entitled to receive
12 all meal periods or payment of one additional hour of pay at Plaintiffs' and the other class
13 member's regular rate of pay when a meal period was missed, short, late, and/or interrupted,
14 and they did not receive all meal periods or payment of one additional hour of pay at Plaintiffs'
15 and the other class member's regular rate of pay when a meal period was missed, short, late,
16 and/or interrupted.

17 39. Plaintiffs are informed and believe, and based thereon allege, that Defendants
18 failed to provide, authorize, and permit Plaintiffs and the other class members to take full,
19 uninterrupted, off-duty rest periods for every shift lasting three and one-half (3.5) to six (6)
20 hour and/or two full, uninterrupted, off-duty rest periods for every shift lasting six (6) to ten
21 (10) hours, and failed to make a good faith effort to authorize, permit, and provide such rest
22 breaks in the middle of each work period. Defendant also required Plaintiffs and other putative
23 class members to remain on the premises during rest periods.

24 40. Plaintiffs are informed and believes, and based thereon alleges, that Defendants
25 knew or should have known that Plaintiffs and the other class members were entitled to receive
26 all rest periods or payment of one additional hour of pay at Plaintiffs' and the other class
27 member's regular rate of pay when a rest period was missed, short, late, and/or interrupted, and
28 they did not receive all rest periods or payment of one additional hour of pay at Plaintiffs' and

1 the other class members' regular rate of pay when a rest period was missed, short, late, and/or
2 interrupted.

3 41. Plaintiffs are informed and believes, and based thereon alleges, that Defendants
4 knew or should have known that Plaintiffs and the other class members were entitled to receive
5 at least minimum wages for compensation and that they were not receiving at least minimum
6 wages for all hours worked.

7 42. Plaintiffs are informed and believes, and based thereon alleges, that Defendants
8 knew or should have known that Plaintiffs and the other class members were entitled to receive
9 all wages owed to them upon discharge or resignation, including overtime and minimum wages
10 and meal and rest period premiums, and they did not, in fact, receive all such wages owed to
11 them at the time of their discharge or resignation.

12 43. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
13 knew or should have known that Plaintiffs and the other class members were entitled to receive
14 all wages owed to them during their employment. Plaintiffs and the other class members did
15 not receive payment of all wages, including earned but unpaid overtime and minimum wages
16 and meal and rest period premiums, within any time permissible under California Labor Code
17 section 204.

18 44. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
19 knew or should have known that Plaintiffs and the other class members were entitled to receive
20 complete and accurate wage statements in accordance with California law, but, in fact, they did
21 not receive complete and accurate wage statements from Defendants. The deficiencies
22 included, *inter alia*, the failure to include the total number of hours worked by Plaintiffs and
23 the other class members.

24 45. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
25 knew or should have known that Defendants had to keep complete and accurate payroll records
26 for Plaintiffs and the other class members in accordance with California law, but, in fact, did
27 not keep complete and accurate payroll records.

28 46. Plaintiffs are informed and believe, and based thereon alleges, that Defendants

1 knew or should have known that Plaintiffs and the other class members were entitled to
2 reimbursement for necessary business-related expenses. The deficiencies include, *inter alia*,
3 the failing to reimburse Plaintiffs and the putative class members for the costs of the use of
4 personal cell phone for business purposes.

5 47. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
6 knew or should have known that they had a duty to compensate Plaintiffs and the other class
7 members pursuant to California law, and that Defendants had the financial ability to pay such
8 compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
9 represented to Plaintiffs and the other class members that they were properly denied wages, all
10 in order to increase Defendants' profits.

11 48. During the relevant time period, Defendants failed to pay overtime wages to
12 Plaintiffs and the other class members for all overtime hours worked. Plaintiffs and the other
13 class members did not receive overtime compensation at one-and-one half times the regular
14 rate for all hours spent performing job duties in excess of eight (8) hours per day, forty (40)
15 hours per week, and/or for the first eight (8) hours worked on the seventh day of work in a
16 workweek.

17 49. During the relevant time period, Defendants failed to provide all requisite
18 uninterrupted meal and rest periods to Plaintiffs and the other class members.

19 50. During the relevant time period, Defendants failed to pay Plaintiffs and the other
20 class members at least minimum wages for all hours worked.

21 51. During the relevant time period, Defendants failed to pay Plaintiffs and the other
22 class members all wages owed to them upon discharge or resignation.

23 52. During the relevant time period, Defendants failed to pay Plaintiffs and the other
24 class members all wages within any time permissible under California law, including, *inter*
25 *alia*, California Labor Code section 204.

26 53. During the relevant time period, Defendants failed to provide complete or
27 accurate wage statements to Plaintiffs and the other class members.

28 54. During the relevant time period, Defendants failed to keep complete or accurate

1 payroll records for Plaintiffs and the other class members.

2 55. During the relevant time period, Defendants failed to reimburse Plaintiffs and
3 the other class members for all necessary business-related expenses and costs.

4 56. During the relevant time period, Defendants failed to properly compensate
5 Plaintiffs and the other class members pursuant to California law in order to increase
6 Defendants' profits.

7 57. California Labor Code section 218 states that nothing in Article 1 of the Labor
8 Code shall limit the right of any wage claimant to "sue directly . . . for any wages or penalty
9 due to him [or her] under this article."

10 **FIRST CAUSE OF ACTION**

11 **(Violation of California Labor Code §§ 510 and 1198)**

12 **(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)**

13 58. Plaintiffs incorporate by reference the allegations contained in Paragraphs 1
14 through 57, and each and every part thereof with the same force and effect as though fully set
15 forth herein.

16 59. California Labor Code section 1198 and the applicable Industrial Welfare
17 Commission ("IWC") Wage Order provide that it is unlawful to employ persons without
18 compensating them at a rate of pay either time-and-one-half or two-times that person's regular
19 rate of pay, depending on the number of hours worked by the person on a daily or weekly
20 basis.

21 60. Specifically, the applicable IWC Wage Order provides that Defendants are and
22 were required to pay Plaintiffs and the other class members employed by Defendants, and
23 working more than eight (8) hours in a day or more than forty (40) hours in a week, and/or
24 more than six (6) consecutive days in a workweek, at the rate of time-and-one-half for all hours
25 worked in excess of eight (8) hours in a day, more than forty (40) hours in a week, or the first
26 eight (8) hours worked on the seventh day of work in a workweek.

27 61. The applicable IWC Wage Order further provides that Defendants are and were
28 required to pay Plaintiffs and the other class members overtime compensation at a rate of two

1 times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

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

8 63. During the relevant time period, Plaintiffs and the other class members worked
9 in excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a week, and/or for
10 the first eight (8) hours worked on the seventh day.

11 64. During the relevant time period, Defendants intentionally and willfully failed to
12 pay overtime wages owed to Plaintiffs and the other class members.

13 65. Defendants' failure to pay Plaintiffs and the other class members the unpaid
14 balance of overtime compensation, as required by California laws, violates the provisions of
15 California Labor Code sections 510 and 1198, and is therefore unlawful.

16 66. Pursuant to California Labor Code section 1194, Plaintiffs and the other class
17 members are entitled to recover unpaid overtime compensation, as well as interest, costs, and
18 attorneys' fees.

19 **SECOND CAUSE OF ACTION**

20 **(Violation of California Labor Code §§ 226.7 and 512(a))**

21 **(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)**

22 67. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
23 through 66, and each and every part thereof with the same force and effect as though fully set
24 forth herein.

25 68. At all relevant times, the IWC Order and California Labor Code sections 226.7
26 and 512(a) were applicable to Plaintiffs' and the other class members' employment by
27 Defendants.

28 69. At all relevant times, California Labor Code section 226.7 provides that no

1 employer shall require an employee to work during any meal or rest period mandated by an
2 applicable order of the California IWC.

3 70. At all relevant times, the applicable IWC Wage Order and California Labor
4 Code section 512(a) provide that an employer may not require, cause or permit an employee to
5 work for a work period of more than five (5) hours per day without providing the employee
6 with a meal period of not less than thirty (30) minutes, except that if the total work period per
7 day of the employee is no more than six (6) hours, the meal period may be waived by mutual
8 consent of both the employer and employee.

9 71. At all relevant times, the applicable IWC Wage Order and California Labor
10 Code section 512(a) further provide that an employer may not require, cause or permit an
11 employee to work for a work period of more than ten (10) hours per day without providing the
12 employee with a second uninterrupted meal period of not less than thirty (30) minutes, except
13 that if the total hours worked is no more than twelve (12) hours, the second meal period may
14 be waived by mutual consent of the employer and the employee only if the first meal period
15 was not waived.

16 72. During the relevant time period, Plaintiffs and the other class members who
17 were scheduled to work for a period of time no longer than six (6) hours, and who did not
18 waive their legally-mandated meal periods by mutual consent, were required to work for
19 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty
20 (30) minutes and/or rest period.

21 73. During the relevant time period, Plaintiffs and the other class members who
22 were scheduled to work for a period of time in excess of six (6) hours were required to work
23 for periods longer than five (5) hours without an uninterrupted meal period of not less than
24 thirty (30) minutes and/or rest period.

25 74. During the relevant time period, Defendants intentionally and willfully required
26 Plaintiffs and the other class members to work during meal periods and failed to compensate
27 Plaintiffs and the other class members the full meal period premium for work performed during
28 meal periods.

75. During the relevant time period, Plaintiffs' and other class members' meal periods were missed, shortened, late, and/or were interrupted because Defendants required them to perform and complete work duties, even when it resulted in missed, shortened, late, or interrupted meal periods. Defendants interrupted Plaintiffs and the other class members during purported meal periods with business-related inquiries, instructions for tasks, and/or to require them to return to work before a full thirty (30) minutes elapsed to complete or begin tasks.

76. As a result, Defendants failed to relieve Plaintiffs and the other class members of all duties, failed to relinquish control over Plaintiffs' and the other class members' activities, failed to permit Plaintiffs and the other class members a reasonable opportunity to take, and impeded or discouraged them from taking thirty (30) minute uninterrupted meal periods no later than the end of their fifth hour of work for shifts lasting at least six (6) hours, and/or to take second thirty (30) minute uninterrupted meal periods no later than their tenth hour of work for shifts lasting more than ten (10) hours.

77. During the relevant time period, Defendants failed to pay Plaintiffs and the other class members the full meal period premium due pursuant to California Labor Code section 226.7.

78. Defendants' conduct violates applicable IWC Wage Order and California Labor Code sections 226.7 and 512(a).

79. Pursuant to applicable IWC Wage Order and California Labor Code section 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each work day that the meal or rest period is not provided.

THIRD CAUSE OF ACTION

(Violation of California Labor Code § 226.7)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

80. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 79, and each and every part thereof with the same force and effect as though fully set forth herein.

1 81. At all times herein set forth, the applicable IWC Wage Order and California
2 Labor Code section 226.7 were applicable to Plaintiffs’ and the other class members’
3 employment by Defendants.

4 82. At all relevant times, California Labor Code section 226.7 provides that no
5 employer shall require an employee to work during any rest period mandated by an applicable
6 order of the California IWC.

7 83. At all relevant times, the applicable IWC Wage Order provides that “[e]very
8 employer shall authorize and permit all employees to take rest periods, which insofar as
9 practicable shall be in the middle of each work period” and that the “rest period time shall be
10 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
11 hours or major fraction thereof” unless the total daily work time is less than three and one-half
12 (3 ½) hours.

13 84. During the relevant time period, Defendants required Plaintiffs and other class
14 members to work four (4) or more hours without authorizing or permitting a ten (10) minute
15 rest period per each four (4) hour period worked.

16 85. During the relevant time period, Defendants willfully required Plaintiffs and the
17 other class members to work during rest periods and failed to pay Plaintiffs and the other class
18 members the full rest period premium for work performed during rest periods.

19 86. During the relevant time period, Defendants failed to pay Plaintiffs and the other
20 class members the full rest period premium due pursuant to California Labor Code section
21 226.7

22 87. Defendants’ conduct violates applicable IWC Wage Orders and California
23 Labor Code section 226.7.

24 88. Pursuant to the applicable IWC Wage Orders and California Labor Code section
25 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one
26 additional hour of pay at the employees’ regular hourly rate of compensation for each work
27 day that the rest period was not provided.

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FOURTH CAUSE OF ACTION

(Violation of California Labor Code §§ 1194, 1197, and 1197.1)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

89. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 88, and each and every part thereof with the same force and effect as though fully set forth herein.

90. At all relevant times, California Labor Code sections 1194, 1197, and 1197.1 provide that the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

91. During the relevant time period, Defendants failed to pay minimum wage to Plaintiffs and the other class members as required, pursuant to California Labor Code sections 1194, 1197, and 1197.1. Defendants' failure to pay minimum wages included, *inter alia*, Defendants' effective payment of zero dollars per hour for hours Plaintiffs and the other class members worked off-the-clock performing work duties.

92. Defendants' failure to pay Plaintiffs and the other class members the minimum wage as required violates California Labor Code sections 1194, 1197, and 1197.1. Pursuant to those sections Plaintiffs and the other class members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorney's fees, and liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

93. Pursuant to California Labor Code section 1197.1, Plaintiffs and the other class members are entitled to recover a penalty of \$100.00 for the initial failure to timely pay each employee minimum wages, and \$250.00 for each subsequent failure to pay each employee minimum wages.

94. Pursuant to California Labor Code section 1194.2, Plaintiffs and the other class members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

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FIFTH CAUSE OF ACTION

(Violation of California Labor Code §§ 201 and 202)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

95. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 94, and each and every part thereof with the same force and effect as though fully set forth herein.

96. At all relevant times herein set forth, California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

97. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiffs and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ. Plaintiffs and other class members were not paid at the time of their discharge wages earned and unpaid throughout their employment, including but not limited to, minimum wages for time worked off-the-clock to perform work duties and for meal and rest period premium payments.

98. Defendants' failure to pay Plaintiffs and the other class members who are no longer employed by Defendants' their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ, is in violation of California Labor Code sections 201 and 202.

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

100. Plaintiffs and the other class members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to a thirty (30) day maximum pursuant to California Labor Code section 203.

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 204)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

101. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 100, and each and every part thereof with the same force and effect as though fully set forth herein.

102. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed.

103. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

104. At all times herein set forth, California Labor Code section 204 provides that 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.

105. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiffs and the other class members all wages due to them, within any time period permissible under California Labor Code section 204.

106. Plaintiffs and the other class members are entitled to recover all remedies available for violations of California Labor Code section 204.

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SEVENTH CAUSE OF ACTION

(Violation of California Labor Code § 226(a))

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

107. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 106, and each and every part thereof with the same force and effect as though fully set forth herein.

108. At all material times set forth herein, California Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and his or her social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. The deductions made from payments of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement or a record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California.

109. Defendants have intentionally and willfully failed to provide Plaintiffs and the other class members with complete and accurate wage statements. The deficiencies include, but are not limited to: the failure to include the total number of hours worked by Plaintiffs and the other class members.

110. As a result of Defendants' violation of California Labor Code section 226(a), Plaintiffs and the other class members have suffered injury and damage to their statutorily-protected rights.

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111. More specifically, Plaintiffs and the other class members have been injured by Defendants' intentional and willful violation of California Labor Code section 226(a) because they were denied both their legal right to receive, and their protected interest in receiving, accurate and itemized wage statements pursuant to California Labor Code section 226(a).

112. Plaintiffs and the other class members are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with California Labor Code section 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.

113. Plaintiffs and the other class members are also entitled to injunctive relief to ensure compliance with this section, pursuant to California Labor Code section 226(h).

EIGHTH CAUSE OF ACTION

(Violation of California Labor Code § 1174(d))

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

114. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 113, and each and every part thereof with the same force and effect as though fully set forth herein.

115. Pursuant to California Labor Code section 1174(d), an employer shall keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years.

116. Defendants have intentionally and willfully failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid, to Plaintiffs and the other class members.

117. As a result of Defendants' violation of California Labor Code section 1174(d), Plaintiffs and the other class members have suffered injury and damage to their statutorily-

protected rights.

118. More specifically, Plaintiffs and the other class members have been injured by Defendants' intentional and willful violation of California Labor Code section 1174(d) because they were denied both their legal right and protected interest, in having available, accurate and complete payroll records pursuant to California Labor Code section 1174(d).

NINTH CAUSE OF ACTION

(Violation of California Labor Code §§ 2800 and 2802)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

119. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 118, and each and every part thereof with the same force and effect as though fully set forth herein.

120. Pursuant to California Labor Code sections 2800 and 2802, an employer must reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer.

121. Plaintiffs and the other class members incurred necessary business-related expenses and costs that were not fully reimbursed by Defendants.

122. Defendants have intentionally and willfully failed to reimburse Plaintiffs and the other class members for all necessary business-related expenses and costs.

123. Plaintiffs and the other class members are entitled to recover from Defendants their business-related expenses and costs incurred during the course and scope of their employment, plus interest accrued from the date on which the employee incurred the necessary expenditures at the same rate as judgments in civil actions in the State of California.

TENTH CAUSE OF ACTION

(Violation of California Business & Professions Code §§ 17200, et seq.)

(Against RED RIBBON BAKESHOP INC. and DOES 1 through 100)

124. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 123, and each and every part thereof with the same force and effect as though fully set

1 forth herein.

2 125. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,
3 unlawful and harmful to Plaintiff, other class members, to the general public, and Defendants'
4 competitors. Accordingly, Plaintiffs seek to enforce important rights affecting the public
5 interest within the meaning of Code of Civil Procedure section 1021.5.

6 126. Defendants' activities as alleged herein are violations of California law, and
7 constitute unlawful business acts and practices in violation of California Business &
8 Professions Code section 17200, et seq.

9 127. A violation of California Business & Professions Code section 17200, et seq.
10 may be predicated on the violation of any state or federal law. In this instant case, Defendants'
11 policies and practices of requiring employees, including Plaintiffs and the other class members,
12 to work overtime without paying them proper compensation violate California Labor Code
13 sections 510 and 1198. Additionally, Defendants' policies and practices of requiring
14 employees, including Plaintiffs and the other class members, to work through their meal and
15 rest periods without paying them proper compensation violate California Labor Code sections
16 226.7 and 512(a). Defendants' policies and practices of failing to pay minimum wages violate
17 California Labor Code sections 1194, 1197, and 1197.1. Moreover, Defendants' policies and
18 practices of failing to timely pay wages to Plaintiffs and the other class members violate
19 California Labor Code sections 201, 202 and 204. Defendants also violated California Labor
20 Code sections 226(a), 1174(d), 2800 and 2802.

21 128. As a result of the herein described violations of California law, Defendants
22 unlawfully gained an unfair advantage over other businesses.

23 129. Plaintiffs and the other class members have been personally injured by
24 Defendants' unlawful business acts and practices as alleged herein, including but not
25 necessarily limited to the loss of money and/or property.

26 130. Pursuant to California Business & Professions Code sections 17200, et seq.,
27 Plaintiffs and the other class members are entitled to restitution of the wages withheld and
28 retained by Defendants during a period that commences four years preceding the filing of this

Complaint; an award of attorneys' fees pursuant to California Code of Civil procedure section 1021.5 and other applicable laws; and an award of costs.

ELEVENTH CAUSE OF ACTION

(Violation of California Labor Code § 2698, et seq.)

(Against AC&A LLC and DOES 1 through 100)

131. Plaintiff SANTA ANA incorporates by reference the allegations contained in paragraphs 1 through 130, and each and every part thereof with the same force and effect as though fully set forth herein.

132. PAGA expressly establishes that any provision of the California Labor Code which provides for a civil penalty to be assessed and collected by the LWDA, or any of its departments, divisions, commissions, boards, agencies or employees for a violation of the California Labor Code, may be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself, and other current or former employees.

133. Whenever the LWDA, or any of its departments, divisions, commissions, boards, agencies, or employees has discretion to assess a civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to the same limitations and conditions, to assess a civil penalty.

134. Plaintiff SANTA ANA and the other hourly-paid or non-exempt employees, are "aggrieved employees" as defined by California Labor Code section 2699(c) in that they are all current or former employees of Defendants, and one or more of the alleged violations was committed against them.

Failure to Pay Overtime

135. Defendants' failure to pay overtime in violation of the Wage Orders and California Labor Code sections 510 and 1198, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 510 and 1198.

Failing to Provide Meal Periods

136. Defendants' failure to provide legally required meal periods in violation of the Wage Orders and California Labor Code sections 226.7 and 512(a), as alleged above,

1 constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 226.7
2 and 512(a).

3 **Failure to Provide Rest Periods**

4 137. Defendants' failure to provide legally required rest periods in violation of the
5 Wage Orders and California Labor Code section 226.7, as alleged above, constitutes unlawful
6 and/or unfair activity prohibited by California Labor Code section 226.7.

7 **Failure to Pay Minimum Wages**

8 138. Defendants' failure to pay minimum wages in violation of the Wage Orders and
9 California Labor Code sections 1194, 1197 and 1197.1, as alleged above, constitutes unlawful
10 and/or unfair activity prohibited by California Labor Code sections 1194, 1197 and 1197.1.

11 **Failure to Timely Pay Wages Upon Termination**

12 139. Defendants' failure to timely pay wages upon termination in violation of
13 California Labor Code sections 201 and 202, as alleged above, constitutes unlawful and/or
14 unfair activity prohibited by California Labor Code sections 201 and 202.

15 **Failure to Timely Pay Wages During Employment**

16 140. Defendants' failure to timely pay wages during employment in violation of
17 California Labor Code section 204, as alleged above, constitutes unlawful and/or unfair
18 activity prohibited by California Labor Code section 204.

19 **Failure to Provide Compliant Wage Statements**

20 141. Defendants' failure to provide compliant wage statements in violation of
21 California Labor Code section 226(a), as alleged above, constitutes unlawful and/or unfair
22 activity prohibited by California Labor Code section 226(a).

23 **Failure to Keep Complete or Accurate Payroll Records**

24 142. Defendants' failure to keep complete or accurate payroll records in violation of
25 California Labor Code section 1174(d), as alleged above, constitutes unlawful and/or unfair
26 activity prohibited by California Labor Code section 1174(d).

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Failure to Reimburse Necessary Business Expenses

143. Defendants' failure to reimburse all necessary business-related expenses and costs in violation of California Labor Code sections 2800 and 2802, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 2800 and 2802.

144. Pursuant to California Labor Code section 2699, Plaintiff SANTA ANA, individually, and on behalf of all aggrieved employees, requests and is entitled to recover from Defendants and each of them, business expenses, unpaid wages, and/or untimely wages according to proof, interest, attorneys' fees and costs pursuant to California Labor Code section 218.5, as well as all penalties against Defendants, and each of them, including but not limited to:

- a. Penalties under California Labor Code section 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- b. Penalties under California Code of Regulations Title 8 section 11010, *et seq.* in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under California Labor Code section 210 in addition to, and entirely independent and apart from, any other penalty provided in the California Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation; and
- d. Any and all additional penalties and sums as provided by the California Labor Code and/or other statutes.

145. Pursuant to California Labor Code section 2699(i), civil penalties recovered by aggrieved employees shall be distributed as follows: seventy-five percent (75%) to the Labor

1 and Workforce Development Agency for the enforcement of labor laws and education of
2 employers and employees about their rights and responsibilities and twenty-five percent (25%)
3 to the aggrieved employees.

4 146. Further, Plaintiff SANTA ANA is entitled to seek and recover reasonable
5 attorneys' fees and costs pursuant to California Labor Code sections 210, 218.5 and 2699 and
6 any other applicable statute.

7 **DEMAND FOR JURY TRIAL**

8 Plaintiff EBUEN, individually, and on behalf of other members of the general public
9 similarly situated, and Plaintiff SANTA ANA, individually, and on behalf of other members of
10 the public similarly situated, and on behalf of other aggrieved employees pursuant to the
11 California Private Attorneys General Act, request a trial by jury.

12 **PRAYER FOR RELIEF**

13 1. WHEREFORE, Plaintiff EBUEN, individually, and on behalf of other members
14 of the general public similarly situated, and Plaintiff SANTA ANA, individually, and on behalf
15 of other members of the public similarly situated, and on behalf of other aggrieved employees
16 pursuant to the California Private Attorneys General Act, pray for relief and judgment against
17 Defendants, jointly and severally, as follows:

18 **Class Certification**

19 2. That this action be certified as a class action as to the first ten causes of action;
20 3. That Plaintiffs be appointed as the representatives of the Class;
21 4. That counsel for Plaintiffs be appointed as Class Counsel; and
22 5. That Defendants provide to Class Counsel immediately the names and most
23 current/last known contact information (address, e-mail and telephone numbers) of all class
24 members.

25 **As to the First Cause of Action**

26 6. That the Court declare, adjudge and decree that Defendants violated California
27 Labor Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay
28 all overtime wages due to Plaintiffs and the other class members;

7. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;

8. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due;

9. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194; and

10. For such other and further relief as the Court may deem just and proper.

As to the Second Cause of Action

11. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to provide all meal periods (including second meal periods) to Plaintiffs and the other class members;

12. That the Court make an award to Plaintiffs and the other class members of one (1) hour of pay at each employee's regular rate of compensation for each workday that a meal period was not provided;

13. For all actual, consequential, and incidental losses and damages, according to proof;

14. For premium wages pursuant to California Labor Code section 226.7(b);

15. For pre-judgment interest on any unpaid wages from the date such amounts were due;

16. For reasonable attorneys' fees and costs of suit incurred herein; and

17. For such other and further relief as the Court may deem just and proper.

As to the Third Cause of Action

18. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all rest periods to Plaintiffs and the other class members;

19. That the Court make an award to Plaintiffs and the other class members of one (1) hour of pay at each employee's regular rate of compensation for each workday that a rest

period was not provided;

20. For all actual, consequential, and incidental losses and damages, according to proof;

21. For premium wages pursuant to California Labor Code section 226.7(b);

22. For pre-judgment interest on any unpaid wages from the date such amounts were due; and

23. For such other and further relief as the Court may deem just and proper.

As to the Fourth Cause of Action

24. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 1194, 1197, and 1197.1 by willfully failing to pay minimum wages to Plaintiffs and the other class members;

25. For general unpaid wages and such general and special damages as may be appropriate;

26. For statutory wage penalties pursuant to California Labor Code section 1197.1 for Plaintiffs and the other class members in the amount as may be established according to proof at trial;

27. For pre-judgment interest on any unpaid compensation from the date such amounts were due;

28. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194(a);

29. For liquidated damages pursuant to California Labor Code section 1194.2; and

30. For such other and further relief as the Court may deem just and proper.

As to the Fifth Cause of Action

31. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time of termination of the employment of Plaintiffs and the other class members no longer employed by Defendants;

32. For all actual, consequential, and incidental losses and damages, according to

1 proof;

2 33. For statutory wage penalties pursuant to California Labor Code section 203 for
3 Plaintiffs and the other class members who have left Defendants' employ;

4 34. For pre-judgment interest on any unpaid compensation from the date such
5 amounts were due; and

6 35. For such other and further relief as the Court may deem just and proper.

7 **As to the Sixth Cause of Action**

8 36. That the Court declare, adjudge and decree that Defendants violated California
9 Labor Code section 204 by willfully failing to pay all compensation owed at the time required
10 by California Labor Code section 204 to Plaintiffs and the other class members;

11 37. For all actual, consequential, and incidental losses and damages, according to
12 proof;

13 38. For pre-judgment interest on any unpaid compensation from the date such
14 amounts were due; and

15 39. For such other and further relief as the Court may deem just and proper.

16 **As to the Seventh Cause of Action**

17 40. That the Court declare, adjudge and decree that Defendants violated the record
18 keeping provisions of California Labor Code section 226(a) and applicable IWC Wage Orders
19 as to Plaintiffs and the other class members, and willfully failed to provide accurate itemized
20 wage statements thereto;

21 41. For actual, consequential and incidental losses and damages, according to proof;

22 42. For statutory penalties pursuant to California Labor Code section 226(e);

23 43. For injunctive relief to ensure compliance with this section, pursuant to
24 California Labor Code section 226(h); and

25 44. For such other and further relief as the Court may deem just and proper.

26 **As to the Eighth Cause of Action**

27 45. That the Court declare, adjudge and decree that Defendants violated California
28 Labor Code section 1174(d) by willfully failing to keep accurate and complete payroll records

for Plaintiffs and the other class members as required by California Labor Code section 1174(d);

46. For actual, consequential and incidental losses and damages, according to proof;

47. For statutory penalties pursuant to California Labor Code section 1174.5; and

48. For such other and further relief as the Court may deem just and proper.

As to the Ninth Cause of Action

49. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other class members for all necessary business-related expenses as required by California Labor Code sections 2800 and 2802;

50. For actual, consequential and incidental losses and damages, according to proof;

51. For the imposition of civil penalties and/or statutory penalties;

52. For reasonable attorneys' fees and costs of suit incurred herein; and

53. For such other and further relief as the Court may deem just and proper.

As to the Tenth Cause of Action

54. That the Court decree, adjudge and decree that Defendants violated California Business and Professions Code sections 17200, et seq. by failing to provide Plaintiffs and the other class members all overtime compensation due to them, failing to provide all meal and rest periods to Plaintiffs and the other class members, failing to pay at least minimum wages to Plaintiffs and the other class members, failing to pay Plaintiffs' and the other class members' wages timely as required by California Labor Code section 201, 202 and 204 and by violating California Labor Code sections 226(a), 1174(d), 2800 and 2802.

55. For restitution of unpaid wages to Plaintiffs and all the other class members and all pre-judgment interest from the day such amounts were due and payable;

56. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violation of California Business and Professions Code sections 17200, et seq.;

1 57. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
2 California Code of Civil Procedure section 1021.5;

3 58. For injunctive relief to ensure compliance with this section, pursuant to
4 California Business and Professions Code sections 17200, et seq.; and

5 59. For such other and further relief as the Court may deem just and proper.

6 **As to the Eleventh Cause of Action**

7 60. For civil penalties and wages pursuant to California Labor Code sections
8 2699(a), (f) and (g) plus costs and attorneys' fees for violation of California Labor Code
9 sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198,
10 2800, and 2802; and

11 61. For such other and further relief as the Court may deem equitable and
12 appropriate.

13
14 Dated: October 28, 2020

LAWYERS for JUSTICE, PC

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16 By: _____
17 Edwin Aiwanian
18 *Attorneys for Plaintiffs*
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EXHIBIT B

NOTICE OF CLASS ACTION SETTLEMENT

Albert Ebuén, et al. v. Red Ribbon Bake Shop Inc.
Superior Court of California for the County of Los Angeles, Case No. BC715064

PLEASE READ THIS NOTICE CAREFULLY.

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

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Albert Ebuén and Maricel J. Santa Ana (together, "Plaintiffs") and Defendant Red Ribbon Bake Shop, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Albert Ebuén, et al. v. Red Ribbon Bake Shop, Inc.*, Los Angeles County Superior Court, Case No. BC715064 ("Lawsuit"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees who worked for Defendant Red Ribbon Bake Shop, Inc. within the State of California at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the time period from July 26, 2014 to March 1, 2020.

II. BACKGROUND OF THE ACTION

On July 26, 2018, Albert Ebuén commenced the Lawsuit by filing the Class Action Complaint for Damages in the Los Angeles County Superior Court. On July 9, 2019, a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Labor Code § 2698 Et Seq. ("Complaint"), adding Plaintiff Maricel J. Santa Ana and a cause of action under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA"). Plaintiffs allege that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, and reimburse business expenses, and thereby engaged in unfair business practices and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Lawsuit or that it violated any law.

The Parties participated in a mediation session with a respected class action mediator, and as a result of settlement negotiations thereafter, the Parties reached a settlement. The Parties have since entered into the Stipulation of Settlement ("Settlement" or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Simpluris, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs Albert Ebuén and Maricel J. Santa Ana as representatives of the Class ("Class Representatives"), and the following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

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

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Lawsuit have merit or that Defendant has any liability to Plaintiffs or to Class Members. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Two Million Dollars (\$2,000,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Fund." The Net Settlement Fund will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees in an amount not to exceed 40% of the Gross Settlement Amount (i.e., \$800,000) and reimbursement of Litigation Costs in an amount not to exceed Sixty-Five Thousand Dollars (\$65,000) to Class Counsel; (2) Enhancement Payments in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff Albert Ebuen and Five Thousand Dollars (\$5,000) to Plaintiff Maricel J. Santa Ana for their services in the Lawsuit; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of One Hundred Thirty One Thousand Two Hundred Fifty Dollars (\$131,250) for its 75% portion of the PAGA Amount ("LWDA Payment"); and (4) Settlement Administration Costs in an amount not to exceed Sixteen Thousand Dollars (\$16,000) to the Settlement Administrator. Note: a total of One Hundred Seventy-Five Thousand Dollars (\$175,000) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% and the remaining 25% (i.e., Forty-Three Thousand Seven Hundred Fifty Dollars (\$43,750)) will be a part of the Net Settlement Fund for distribution to Settlement Class Members.

Class Members are eligible to receive payment under the Settlement of their share of the Net Settlement Fund ("Individual Settlement Payment") based on the number weeks the Class Member worked for Defendant during the Class Period ("Workweeks").

The Settlement Administrator has multiplied the Net Settlement Fund by a fraction, the numerator of which is the Class Member's Workweeks, and the denominator of which is the total Workweeks worked by all Class Members to yield each Class Member's estimated Individual Settlement Payment that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion ("Settlement Class Members") will be issued payment of their final Individual Settlement Payment.

Each Individual Settlement Payment will be allocated as 20% wages which will be reported on an IRS Form W2 and 80% penalties and interest which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Payment will be subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of Individual Settlement Payments.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the**

Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

From July 26, 2014 to March 1, 2020, you worked for Defendant as an hourly-paid or non-exempt employee in California for [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit your written dispute to the Settlement Administrator. The written dispute must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) be signed by the Class Member; (3) contain the case name and number of the Lawsuit (*Albert Ebuén, et al. v. Red Ribbon Bake Shop, Inc.*, Case No. BC715064); (4) clearly state the number of Workweeks the Class Member contends is correct; (5) provide documentation and/or an explanation demonstrating that Defendant's data is incorrect and evidencing the correct number of Workweeks that the Class Member believes he or she should have been credited with; and (6) be returned by mail to the Settlement Administrator at the address specified in Section IV.B below, postmarked **no later than [the Response Deadline]**.

C. Your Estimated Individual Settlement Payment

As explained above, your estimated Individual Settlement Payment is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$[REDACTED]. The Individual Settlement Payment is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Payment and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Payment reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Release of Claims

As of the Final Effective Date and the date on which the Gross Settlement Amount is fully funded, Plaintiffs and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will forever release, acquit, and discharge the Released Parties of all Released Claims.

"Released Claims" means all causes of action alleged in in the Lawsuit, or that could have been alleged in the Lawsuit based on the factual allegations alleged therein, that arose during the Class Period including but not limited to all of the following: (a) failure to pay minimum wage; (b) failure to pay overtime; (c) failure to provide off-duty meal periods; (d) failure to authorize and permit rest periods; (e) failure to reimburse business expenses; (f) failure to provide accurate wage statements; (g) waiting time penalties; (h) unlawful business practices; (i) all claims for civil penalties under PAGA, that were or could have been alleged based on the claims, causes of action or legal theories described above or on any of the claims, causes of action or legal theories of relief pleaded in the Lawsuit; and (j) any other claims or penalties under the wage and hour laws that were pleaded or could have been pleaded based on the factual allegations in the Lawsuit.

"Released Parties" means Defendant, including its past and present divisions, sister entities, parents, subsidiaries, predecessors, successors, assigns.

E. Attorneys' Fees and Litigation Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to forty percent (40%) of the Gross Settlement Amount (i.e., an amount of up to \$800,000) ("Attorneys' Fees") and reimbursement of litigation costs and expenses in an amount of up to Sixty-Five Thousand Dollars (\$65,000) ("Litigation Costs"), subject to approval by the Court. All Attorneys' Fees and Litigation Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Lawsuit on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiff

Plaintiffs will seek the amount of Ten Thousand Dollars (\$10,000) for Plaintiff Albert Ebuén and Five Thousand Dollars (\$5,000) to Plaintiff Maricel J. Santa Ana (“Enhancement Payments”), in recognition of their services in connection with the Lawsuit. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their Individual Settlement Payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Sixteen Thousand Dollars (\$16,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Objections, and disputes of Workweeks, calculating Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement.

Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must seek exclusion from the Settlement by submitting a written request (“Request for Exclusion”) to the Settlement Administrator.

A Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) be signed by the Class Member; (3) contain the case name and number of the Lawsuit (*Albert Ebuén, et al. v. Red Ribbon Bake Shop, Inc.*, Case No. BC715064); (4) clearly state that the Class Member wished to be excluded from Settlement; and (5) be submitted to the Settlement Administrator by mail, postmarked **no later than [Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

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

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Objection”) to the Settlement Administrator.

An Objection must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the objector; (2) be signed by the objector; (3) contain the case name and number of the Lawsuit (*Albert Ebuén, et al. v. Red Ribbon Bake Shop, Inc.*, Case No. BC715064); (4) clearly state that the objector objects to the Settlement and the factual and legal reason for the objection; (5) if the objector is represented by counsel, state the name and contact information for

such counsel; and (6) be mailed to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department SSC14 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Litigation Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

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

You may view the Settlement Agreement and other court records in the Action at the Stanley Mosk Courthouse, located at 111 North Hill Street, Los Angeles, California 90012, during business hours.

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

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