

James R. Hawkins (SBN 192925)  
Isandra Fernandez (SBN 220482)  
Anthony Draper (SBN 344391)  
**JAMES HAWKINS APLC**  
9880 Research Drive, Suite 200  
Irvine, CA 92618  
TEL: (949) 387-7200  
FAX: (949) 387-6676

Attorneys for Plaintiff, AMBER PALMA  
on behalf of herself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SACRAMENTO

AMBER PALMA on behalf of herself and all  
others similarly situated

Plaintiff,

vs.

VOLUNTEERS OF AMERICA NORTHERN  
CALIFORNIA AND NORTHERN NEVADA,  
INC., a California Company, and DOES 1  
through 50, inclusive,

Defendants.

Case No. 34-2020-00282148 (consolidated  
with Case No. 34-2021-00301329-CU-OE-  
GDS)

Assigned for All Purposes To:  
Hon. Lauri A. Damrell  
Dept. 22

**DECLARATION OF ANTHONY DRAPER  
IN SUPPORT OF PLAINTIFF'S MOTION  
FOR PRELIMINARY APPROVAL OF  
CLASS ACTION AND PAGA  
SETTLEMENT**

**DECLARATION OF ANTHONY DRAPER**

I, Anthony Draper, declare as follows:

1. I am an individual over the age of 18. I am an associate at the law firm of James Hawkins APLC. I am one of the attorneys of record for plaintiff Amber Palma (hereinafter referred to as "Plaintiff"). I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement which Plaintiff filed concurrently herewith, along with the supporting memorandum of points and authorities. I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently.

2. On July 23, 2020, Plaintiff Amber Palma. commenced this Action by filing a wage and hour Class Action Complaint against Defendant in Sacramento Superior Court, Case No. 34-2020-00282148. The same day, Plaintiff provided timely written notice to the Labor and Workforce Development Agency ("LWDA") and to Defendant of Plaintiff's intent to pursue a Labor Code section 2698 Private Attorney General Act ("PAGA") claim.

3. On April 20, 2021, Plaintiff filed a First Amended Class Action Complaint ("FAC"), adding a cause of action for civil penalties under PAGA. The operative FAC alleges the following causes of action: (1) failure to pay lawful wages; (2) failure to provide lawful meal periods or compensation in lieu thereof; (3) failure to provide lawful rest periods of compensation in lieu thereof; (4) failure to timely pay wages; (5) knowing and intentional failure to comply with itemized employee wage statement provisions; (6) violation of the unfair competition law; (7) and civil penalties under PAGA.

4. On May 24, 2021, Plaintiff filed a separate class action in Sacramento County Superior Court, (Case No. 34- 2021-00301329) alleging Defendant improperly conducted employee background checks without providing the proper disclosures and obtaining authorization in violation of the Fair Credit Reporting Act ("FCRA"), Investigative Consumer Reporting Agencies Act ("ICRAA") Consumer Credit Reporting Agencies Act ("CCRAA"). On February 21, 2025, the Court issued an order consolidating the class and PAGA action (case no. 34-2020-00282148-CU-OE-GDS) with the FCRA action (34-2021-00301329-CU-OE-GDS),

1 with case no. 34-2020-00282148-CU-OE-GDS to serve as the lead action, and all documents to  
2 be filed under that case number.

3 5. On February 21, 2025, the Court issued an order consolidating the class and  
4 PAGA action (case no. 34-2020-00282148-CU-OE-GDS) with the FCRA action (34-2021-  
5 00301329-CU-OE-GDS), with case no. 34-2020-00282148-CU-OE-GDS to serve as the lead  
6 action, and all documents to be filed under that case number.

7 6. Throughout this litigation, Defendant has denied Plaintiff's allegations and raised  
8 defenses to her claims, both individually and on a representative basis. Defendant maintains that  
9 its employment policies and practices meet the requirements of the Labor Code and applicable  
10 Wage Orders along with state and federal employee background check laws.

11 7. To date, no class has been certified and the Court has not made any findings that  
12 Defendant engaged in any wrongdoing or in violation of any state law, rule or regulation, with  
13 respect to the issues presented in the litigation.

14 8. Through formal and informal discovery, Plaintiff and Defendant have exchanged  
15 extensive documents and information related to the claims asserted. Plaintiff obtained hundreds  
16 of pages of information, including timecard records and wage reports of putative Class Members.  
17 Defendant provided Plaintiff with class data and random samples of time records, wage  
18 statements, and information regarding the number of non-exempt employees during the relevant  
19 time-period. Defendant also provided pertinent information and documents regarding the  
20 background check claims alleged by Plaintiff.

21 9. On September 21, 2022, the Parties participated in a mediation with Lou Marlin,  
22 Esq. an experienced class action mediator. Although the Parties were unable to reach a  
23 settlement at the conclusion of the mediation, they continued in good faith attempts to resolve the  
24 Actions through the assistance of the mediator.

25 10. On or about August 2023, Defendant substituted its counsel. The Parties engaged  
26 in further discussion and agreed to attend a second mediation.

27 11. On April 4, 2024, the Parties participated in a second all-day mediation presided  
28 over by Hon. Amy Hogue (Ret.) Although an agreement was not reached at the conclusion of

1 the mediation, the Parties continued in settlement discussions. Defendant also provided further  
2 information in support of settlement efforts including documents regarding Defendant's financial  
3 status which were reviewed by Plaintiff's expert.

4 12. The mediator continued to assist the Parties throughout the ongoing settlement  
5 negotiations and ultimately made a settlement proposal that was accepted by all Parties on  
6 August 29, 2024.

7 13. Thereafter, the Parties exchanged multiple drafts of the proposed settlement  
8 agreement and class notice documents and engaged in numerous communications regarding the  
9 settlement terms.

10 14. The final terms and provisions of the settlement agreement were approved and  
11 executed by all the parties on or about March 2025. (A true and correct copy of the Class, PAGA  
12 and FCRA Settlement Agreement- "Settlement Agreement") is attached hereto as Exhibit 1.

13 15. Based on their own respective independent investigations and evaluations and  
14 after taking into account the sharply disputed factual and legal issues involved in this matter, the  
15 risks attending further prosecution in light of certification issues faced due to the *Brinker Rest.*  
16 *Corp. v. Super. Ct.*, (2012) 53 Cal. 4th 1004 ("*Brinker*") decision, the discovery and  
17 investigation conducted to date, Plaintiff and her counsel are of the opinion that settlement for  
18 the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable and  
19 adequate and is in the best interests of the named Plaintiff and Class Members.

20 16. Plaintiff's counsel analyzed the potential liability in this matter based on  
21 documents and information produced by Defendant in formal discovery and in preparation for  
22 mediation, expert analysis of timekeeping records and payroll data, and took into account the  
23 nature of the claims and Defendant's defenses thereto.

24 17. The damages model used in calculating potential liability was largely based on the  
25 number of class members, the number of pay periods, the average rate of pay and a random  
26 sample of time records, wage statements and documents produced by Defendant in preparation  
27 for mediation. Based on the information provided by Defendant, the estimated number of Class  
28



work weeks is 89,025 during the Class Period and estimated 30,000 pay periods during the PAGA Period. The average hourly rate of pay is approximately \$17.68.

18. Plaintiff's counsel estimated the maximum potential liability as follows:

a. Failure to Pay Lawful Wages for All Hours Worked

Plaintiff's claim for failure to pay all lawful wages owed is premised on allegations that, during the Class Period, Plaintiff and Class Members were not paid for the time spent "off the clock" during their scheduled work shifts. Specifically, Plaintiff alleges that she and Class Members were expected to be ready to work at the start of their scheduled work shift but prior to doing so, were required to boot up the computer and log on to the system in order to clock in at the start of the shift. It frequently took between five (5) and ten (10) minutes for computer to "boot up" and they allegedly were not compensated for this time. Additionally, Plaintiff alleges that, due to the work pressures, workload requirements and time constraints, it was not uncommon for Plaintiff and Class Members to work through meal periods "off the clock" and without compensation.

Defendant adamantly disputes Plaintiff's allegations that she and Class Members were not properly compensated for all hours worked and claim that Plaintiff lacked evidence in support of the same. Defendant also contends that its policies not only prohibit employees from working "off the clock" but also require employees to accurately record their time and report inaccuracies. Further, Defendant asserts that this claim would be difficult to certify given the predominance of the individualized inquiry as to whether, and to what extent, each Class Member performed any work "off the clock." Moreover, Defendant contends that the majority of the Class Members executed binding individual arbitration agreements with class action waivers.

As per the analysis conducted on the sample provided by Defendant, the maximum off-the-clock work was calculated based on estimated 10 minutes of unpaid overtime per shift for an estimated 199,351 shifts over 8 hours. Thus, the maximum potential liability for this claim was calculated at \$845,886 (199,351 shifts x \$26.52 x .16). However, taking into consideration the nature of the claim and Defendant's defenses thereto including the inability to establish the

1 violation with respect to all of the Class Members, for purposes of settlement, this claim was  
2 valued between an estimated maximum of \$169,177.2 (20%) and \$84,589 (10%).

3 b. Meal Period Claim

4 Plaintiff alleges that, during the class period, Defendant did not provide Plaintiff and  
5 Class Members with compliant meal breaks nor paid them one hour of their wages in lieu  
6 thereof. As stated above, Plaintiff contends that due to the work pressures, work load  
7 requirements and time constraints, Plaintiff and Class Members were at times required to work  
8 “off the clock” during their meal periods.

9 Defendant denies Plaintiff’s meal break allegations and maintains that Plaintiff and Class  
10 Members were provided with the opportunity to take full and timely meal periods as per their  
11 compliant policies and the law. Defendant also asserts the meal break premiums were paid when  
12 Class Members were unable to take complaint meal breaks. Defendant disputes the propriety of  
13 certification on this claim as well, under the holding in *Brinker* and other state and federal  
14 decisions.

15 Assuming a 100% violation rate during every meal break eligible shift the estimated  
16 maximum potential liability was calculated at \$6,523,937 (\$17.68 x 369,001 meal break eligible  
17 shifts). Taking into consideration the nature of the claim, Defendant’s defenses and issues faced  
18 due to *Brinker*, for purposes of settlement, the meal break claim was valued between an  
19 estimated maximum of \$1,304,787.5 (20%) and \$652,394 (10%)  
20

21 c. Rest Break Claim

22 As with the meal breaks, Plaintiff alleges that she and Class Members were regularly  
23 unable to take a minimum ten (10) minute rest breaks for every four hours worked or major  
24 fraction thereof. Plaintiff also allege she and Class Members were not compensated one (1) hour  
25 of pay at their regular rate of compensation for each workday that a lawful rest period was not  
26 provided, in violation of California labor laws, regulations, and IWC Wage Orders (IWC Wage  
27 Order 5-2001(12); Cal. Lab. Code § 226.7.  
28

1 Defendant disputes Plaintiff's allegations regarding rest break violations and contends  
2 that Class Members were allowed to take compliant ten (10) minute rest periods under their  
3 policies and practices and regularly took such breaks. Defendant also argues that this claim  
4 would be difficult to certify given the predominance of the individualized inquiry as to whether,  
5 and to what extent, each Class Member was unable to take compliant rest breaks during their  
6 shifts.

7 Assuming a 100% violation rate during every shift the estimated maximum potential  
8 liability was calculated at \$6,991,397 (\$17.68 x 395,441 rest break eligible shifts). Taking into  
9 consideration the nature of the claim, Defendant's defenses and issues faced due to *Brinker*, for  
10 purposes of settlement, the meal break claim was valued between an estimated maximum of  
11 \$699,140 (10%) and 359,570 (10%)

12  
13 d. Failure to Provide Accurate Itemized Wage Statements

14 Under Lab. Code § 226(e), an employee suffering "injury as a result of a knowing and  
15 intentional failure by an employer" to provide accurate wage statements is entitled to \$50 for the  
16 initial violation and \$100 for each subsequent violation up to \$4,000. This claim is derivative of  
17 the unpaid wages claims asserted. The estimated maximum potential liability was calculated at  
18 \$3,308,000 based on an estimated 827 Class Members x \$4,000 each.

19 Defendant contends that the wage statements issued to the employees fully  
20 complied with Labor Code section 226. Defendant states that because it believes no  
21 wages are unpaid, there can be no derivative penalties. Further, Defendant argues that, if any  
22 wage statements were in fact inaccurate, it did not "knowingly and intentionally" fail to provide  
23 accurate statements and that Plaintiff and the Class did not suffer any "injury" from such  
24 inaccurate wage statements. For purposes of settlement negotiations, said claim was valued  
25 between \$992,400 (30%) and \$661,600 (20%)

26 e. Failure to Timely Pay Wages at Separation

27 Pursuant to Labor Code sections 201, 202 and 203, each employee in the relevant  
28 statutory period (i.e., three years before the filing of the initial Complaint) is entitled to thirty

1 (30) days' worth of wages as a waiting time penalty for not being paid all wages upon the  
2 separation of employment. Plaintiff alleges that penalties are owed under Labor Code section  
3 203 due to, at a minimum, Defendant's failure to pay wages for all hours worked and failure to  
4 pay premium wages. With respect to Lab. Code § 203 claim, there were an estimated 939 Class  
5 Members to whom this claim applied. The estimated maximum potential liability was  
6 determined to be \$3,834,951 using the formula: (939 former employees) x (30 x \$17.68 x 7.7  
7 hours per day).

8 Defendant once again asserts that no unpaid wages are owed as Defendant did not fail to  
9 pay the correct wages owed, including overtime or minimum wages, nor did they fail to pay  
10 premium wages. Defendant further contends that its actions were not willful as required for  
11 penalties to issue and that, thus, waiting time penalties cannot be awarded. Because of the costs  
12 and risks of proceeding, and the defenses faced, for purposes of settlement negotiations, said  
13 claim was valued between \$766,990 (20%) and \$383,595 (10%).

14  
15 f. Bus. & Prof. Code § 17200 et seq. ("UCL") Claim

16 The only remedies available under the unfair competition law ("UCL") Business and  
17 Professions Code Section 17200 et seq. are restitution and injunction, as opposed to damages  
18 *Clark v. Superior Court*, (2010) 50 Cal. 4th 605, 610. The UCL provides that "[t]he court may  
19 make such orders or judgments ... as may be necessary to restore to any person in interest any  
20 money or property, real or personal, which may have been acquired by means of such unfair  
21 competition." (Bus. & Prof. Code, § 17203.) Restitution under the UCL includes "earned  
22 wages." *Cortez v. Purolator Air Filtration Prods. Co.*, (2000) 23 Cal. 4th 163, 177-78.  
23 Restitution under the UCL is not available for all violations of the Labor Code. (See *Pineda v.*  
24 *Bank of Am., N.A.* (2010) 50 Cal. 4th 1389, 1401-02.) In *Pineda*, the California Supreme Court  
25 held Labor Code section 203 is "not designed to compensate employees for work performed  
26 [but] it is intended to encourage employers to pay final wages on time, and to punish employers  
27 who fail to do so." (*Id.*) Like Labor Code section 203, section 226 for wage statement violations  
28

1 is also intended to “punish” the employer and is not an action brought to recover wages. (See  
2 *Gomez v. Jacobo Farm Labor Contractor, Inc.* (2019) 334 F.R.D. 234, 267-268.)

3 Here, Plaintiffs’ UCL claim is solely premised on the failure to pay lawful wages and  
4 premium wages claims discussed above. Plaintiffs’ Counsel assigned a zero-dollar value to the  
5 UCL claim because it does not provide any additional value in this Action other than to increase  
6 the statute of limitations to four years for the underlying claims. Those claims are valued and  
7 analyzed above based on the four-year statute of limitations provided by the UCL. However, the  
8 UCL claim in and of itself does not provide any additional damages. Therefore, there is no  
9 additional or separate monetary value that this statute provides based on the facts of this Action.

10 g. Lab. Code § 2699 (PAGA Claim) – Plaintiff’s claims under PAGA are predicated  
11 on or derivative of the claims discussed above and as set forth in the Operative Complaint. The  
12 estimated maximum PAGA penalty was calculated as \$3,000,000. This figure attributes a \$100  
13 penalty to each of the estimated 30,000 pay periods in scope during the PAGA Period. This  
14 figure is based on an assumption that there is a 100% violation rate during the PAGA Period,  
15 such that every single pay period in question involved at least one Labor Code violation, despite  
16 disputes regarding Defendant’s liability. However, PAGA claims under the facts and  
17 circumstances of this case may result in no award or at best a very minimal award by the trial  
18 court. See specifically § 2699(e)(2) which states in its pertinent part: “... a court may award a  
19 lesser amount than the maximum civil penalty amount specified by this part if, based on the facts  
20 and circumstances of the particular case, to do otherwise would result in an award that is unjust,  
21 arbitrary and oppressive, or confiscatory.”

22 For instance, in *Fleming v. Covidien* (C.D. Cal. 2011) 2011 U.S. Dist. LEXIS 154590 , a  
23 federal court reduced PAGA penalties from \$2,800,000 to \$500,000, a reduction of 82.2%. The  
24 court found maximum penalties “unjust” because the employees had suffered no injuries. Some  
25 trial courts have actually awarded no civil penalties, even when Labor Code violations are  
26 established. *In re Taco Bell Wage & Hour Actions* (E.D. Cal. Apr. 6, 2016) 2016 U.S. Dist.  
27 LEXIS 48557, \*40-43 (PAGA penalties denied after trial).  
28

1 In order to recover any PAGA penalties, Plaintiff would be required at trial to prove each  
2 of the underlying Labor Code violations. (*See Cardenas v. McLane Foodservice, Inc.* (C.D. Cal.  
3 2011) 2011 U.S. Dist. LEXIS 13126, \*10 [“Given the statutory language [of PAGA], a plaintiff  
4 cannot recover on behalf of individuals whom the plaintiff has not proven suffered a violation of  
5 the Labor Code by the defendant.”].) Here, Plaintiff would need to prove that each Aggrieved  
6 Employee suffered all violations for each pay period the employee worked. As discussed herein,  
7 the nature of the PAGA based claims (i.e. rest break, meal period, wage statements, failure to  
8 pay all wages owed and to timely pay wages) and Defendant’s asserted defenses thereto present  
9 a strong risk that some or all of the PAGA penalties sought may not be awarded.

10 Defendant denies that a violation for each pay period can be established. Defendant states  
11 that because the PAGA Action heavily relies on the same allegations made in the Class Action,  
12 they are subject to the same defenses, and, thus, for the same reason Defendant believes there  
13 will be no damages collectible in the class action, no PAGA penalties would be awarded, either.  
14 Defendant also asserts that individualized issues predominate the PAGA claims, making the  
15 claims unmanageable for trial.

16 Given the nature of these claims, as analyzed above, Plaintiff’s Counsel believes it to be  
17 likely that if there were any award, it could be a minimal amount. Therefore, the amount of  
18 \$55,000 (which has been reserved for the PAGA claim) is both fair and reasonable.

19  
20 h. Background Check Claims

21 The predominant background check claims in this action arise from alleged violations of  
22 the Fair Credit Reporting Act (“FCRA”) with respect to the employment related background  
23 checks conducted by Defendant. Specifically, Plaintiff alleges that Defendant improperly  
24 conducted background checks and obtained consumer credit reports on Plaintiff and Class  
25 Members when they applied for employment in violation of 15 USC §1681 *et seq.*

26 Specifically, Plaintiff alleges that Defendant required Plaintiff and Class Members to sign  
27 documents purporting to provide disclosure and authorization for Defendant to perform a  
28 background check and obtain consumer credit reports. Plaintiff asserts that Defendant did not

1 provide compliant disclosure forms and thus Plaintiff and Class Members, who executed the  
2 same forms, did not give valid authorization for Defendant to procure consumer reports in  
3 violation of 15 U.S.C. §1681b(b)(2)(A)(ii). Nevertheless, Defendant procured or caused to be  
4 procured the consumer reports for employment purposes on the Plaintiff and the class members  
5 in violation of the FCRA.

6 A plaintiff may be entitled to statutory and punitive damages when a defendant has  
7 willfully violated the provisions of the FCRA. 15 U.S.C. § 1681n(a)(1)(A): “any person who  
8 willfully fails to comply with any requirement imposed under this subchapter with respect to any  
9 consumer is liable to that consumer in an amount equal to the sum of . . . damages of not less  
10 than \$100 and not more than \$1000 . . . such amount of punitive damages as the court may  
11 allow.”

12 VOA vehemently disputes Plaintiff’s claims and maintains that it complied with the  
13 disclosure requirements under the FCRA and/or California law. Specifically, Defendant contends  
14 that the form complies with the requirements of the FCRA in that the document consists solely of  
15 the FCRA required disclosure and an authorization for the employee to execute. Furthermore,  
16 VOA contends that Plaintiff would be unable to show any recognizable injury. Defendant also  
17 contends that Plaintiff will not prevail on the “willfulness” requirement as it complied with the  
18 FCRA requirement based on the law that existed at the time Defendant provided the disclosure  
19 documents to Plaintiff and Class Members. *Mitchell v. WinCo Foods, LLC* (9th Cir 2020) 828  
20 Fed. Appx.467.

21  
22 Moreover, Defendant asserts that Plaintiff and Class Members do not have standing to  
23 sue under the FCRA as they will not be able to show that they suffered a concrete injury as a  
24 result of Defendant’s actions and therefore do not have standing to sue VOA under the FCRA.  
25 (*Limon v Circle K Stores, Inc.* (2022) 84 Cal, App. 5th 671 (“*Limon*”))

26 District court decisions have indicated that the minimum \$100 statutory damages is the  
27 proper comparator in standalone disclosure cases. See e.g. *Lagos v Leland Stanford Junior*  
28 *University* (N.D. Cal. 2017) 2017 WL 1113302 \*4. Here, there are 3,636 Background Check

1 Class Members. (Settlement Agreement ¶ 1.7) Therefore, Plaintiff's counsel estimated a  
2 maximum of statutory damages under the FCRA of \$363,600, if liability were proven. However,  
3 taking into consideration Defendant's defenses, *Limon* and the willfulness requirement of this  
4 statute, for settlement purposes Plaintiff's counsel reduced this amount to \$36,000.

5 19. Through her counsel, Plaintiff took into consideration the significant risks that  
6 class certification could be denied on the central claim, or that a merits decision on the central  
7 claim would not favor the Class. Plaintiff has considered the expense and length of continued  
8 proceedings necessary to continue the Action against Defendant through trial and any possible  
9 appeals. Plaintiff is also aware of the burdens of proof necessary to establish liability for the  
10 claims asserted in the Action, Defendant's defenses thereto, and the difficulties in establishing  
11 Plaintiff's damages. Moreover, Plaintiff also reviewed and considered Defendant's financial  
12 condition in arriving at this Settlement.

13 20. The proposed Settlement requires Defendant to pay each Class Member who does  
14 not opt out a portion of the Net Settlement Amount as specifically set forth in the Settlement  
15 Agreement. The amount to be paid to the Class is undoubtedly fair, adequate and reasonable  
16 especially in light of the significant risk to Plaintiff and Class Members in continuing with the  
17 litigation and not prevailing on class certification or at trial, and thus leaving employees with no  
18 recovery.

19 21. The Settlement Agreement provides for an award to be paid to the Class  
20 Representative. The primary purpose is to provide Plaintiff an enhancement award, taking into  
21 consideration the risks, time, effort and expenses incurred by her in coming forward to provide  
22 invaluable information and litigate this matter on behalf of all Class Members and Aggrieved  
23 Employees. Plaintiff has actively participated in this litigation by providing significant  
24 supporting documents and information and assisting counsel in developing information  
25 necessary to litigate and settle this case which has resulted in a favorable settlement for the  
26 putative Class Members and Aggrieved Employees.  
27  
28



22. James Hawkins APLC has a great deal of experience in wage and hour class action litigation. The law firm and its lawyers have obtained certification of multiple classes, have been approved as class counsel in many other wage/hour class actions, and currently litigating numerous others. Although not an all inclusive list, over the years the law firm has prosecuted the following class action matters as lead and/or co-lead counsel, all of which implicated similar law and facts to those associated with this action:

- ***Mojica v. Compass Group, Inc., et. al.*** USDC Central District, Case No. 8:13-cv-01754.
- ***Dao v. 3M Company, et al.*** USDC, CENTRAL DISTRICT, Case No. CV-08-04554.
- ***Ortiz v. Kmart***, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
- ***Morgan v. Aramark Campus, LLC***, USDC, CENTRAL DISTRICT, Case No. SACV08-00412.
- ***West v Iron Mountain Information Management, Inc, et. al.***; Los Angeles County Superior Court, Case No. BC393709.
- ***Gonzalez v. Superior Industries International, Inc., et al.***, Los Angeles County Superior Court, Case No. BC 357912.
- ***Acosta v. Fleetwood Travel Trailers of California, Inc., et al.***, Riverside County Superior Court, Case No. RIC 440630.
- ***Walker v. Sharkeez, et al.***, Orange County Superior Court, Case No. 05CC00293.
- ***Padron v. Universal Protection Service, et al***, Orange County Superior Court, Case No. 05CC00013.
- ***Martinez v. Securitas Security Services USA, et al.***, Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460.
- ***Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.***, Riverside Superior Court, Case No. RIC 420909.
- ***Ruiz, et al. v. Unisource Worldwide, Inc., et al.***, USDC, CENTRAL DISTRICT, Case No. CV09-05848.

- **Herrador v. Culligan International Company, et al.**, USDC, CENTRAL DISTRICT, Case No. SACV 08-680.
- **Defries v. Domain Restaurants, et al.**, Orange County Superior Court, Case No. 05CC00128.
- **Denton v. BLB Enterprises, Inc., et al.**, Orange County Superior Court, Case No. 07CC01292.
- **Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.**, Los Angeles Superior Court, Case No. BC411477.
- **McMurray v. Dave and Busters, Inc., et al.**, Orange County Superior Court, Case No. 06CC00099.
- **Osuna v. DFG Restaurants, Inc., et al.**, Los Angeles Superior Court, Case No. BC 330145.
- **Burns v. Gymboree Operations, Inc., et al.**, San Francisco Superior Court, Case No. CGC-07-461612.
- **Willems v. Diedrich Coffee, Inc., et al.**, Orange County Superior Court, Case No. 07CC00015.
- **Davila, et al. v. Beckman Coulter, Inc., et al.**, Orange County Superior Court, Case No. 07CC01347.
- **Perez v. Naked Juice Company of Glendora, Inc.**, Los Angeles Superior Court, Case No. BC387088.
- **Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour Cases**, Los Angeles Superior Court, Case No. JCCP 4545.
- **Placencia v. Amcor Packaging Distribution, Inc.**, Orange County Superior Court, Case No. 30-2013-00694012-CU-OE-CXC.
- **Trani v. Lisi Aerospace, et al.**, Los Angeles Superior Court, Case No. BC495527.
- **Galvan v. Goodwin Co.**, Orange County Superior Court, Case No. 30-2013-00637062-CU-OE-CXC.

- ***Reyes v. Bristol Fiberlite***, Orange County Superior Court, Case No. 30-2013-00653425-CU-OE-CXC.
- ***Gutierrez v. HMT Tank, USDC Central Dist.***, Case No. CV14-1967-CAS(MAN)
- ***Williams v. Il Fornaio America Corp.***, Sacramento County, Case No. 34-2011-0009616.
- ***Aguilar v. 7-Eleven, Inc.***, Orange County, Case No. 30-2009-002687141-CU-OE-CXC.
- ***Madrigal v. Huntington Beach Market Broiler, Inc.***, Orange County, Case No. 30-2012-00611260.
- ***Vang v. Jazz Semiconductor, Inc.***, Orange County, Case no. 30-2011-00460278.
- ***Vigueras v. Red Robin International, Inc.***, USDC Central Dist. Case No. SACV 17-1422 JVS (DFMx);
- ***Smith v. Space Exploration Technologies Corp.***, Los Angeles Superior Court, Case No. BC55429;
- ***Cano v. Financial Statement Services, Inc.***, Orange County Superior Court, Case No. 30-2013-00653349-CU-OE-CXC;
- ***Mendez v. Liberty Glass Fabricators, Inc.***, Riverside County Superior Court Case No. RIC1800119;
- ***Attia v. Neiman Marcus Group, Inc.***, United States District Court for the Central District of California Case No. 8:16-cv-001504-DOC-FFM;
- ***O'Brien, et al. v. Cerida Investment Corp.***, Santa Clara Superior Court Case No. 21CV384527;
- ***Gonzalez v. Quality Aluminum Forge, LLC***, Orange County Superior Court Case No. 30-2015-00817941;
- ***Shay v. Apple, Inc.***, United States District Court for the Southern District of California Case No. 3:20-cv-1629-JO-BLM;
- ***Milligan v. CWI, Inc.***, San Bernardino Superior Court Case No. CIVDS 2013999;

- ***Aguilar v. LDI Mechanical, Inc.***, Riverside County Case No. RIC1610019;
- ***Abron v. University Healthcare Alliance***, Alameda County Superior Court Case No. RG20066438;
- ***Benson v. F21 Opco, LLC***, San Diego Superior Court Case No. 37-2021,00024619-CU-OE-CTL;
- ***Allen v. Creative Stone Mfg., Inc.***, San Bernardino County Superior Court Case No. CIVSB2201498;
- ***Santamaria v. Bright Horizons Children’s Center***, San Bernardino County Superior Court Case No. CIVSB2210140;
- ***Yniguez v. Airgas USA, LLC***, Los Angeles County Superior Court Case No. 20STCV18190;
- ***Cervantez v. Genuine Parts Company***, Los Angeles County Superior Court Case No. 22STCV00981;
- ***Robles v. Jetro Holdings, LLC***, San Diego Superior Court Case No. 37-2021-00015414-CU-OE-CTL;
- ***Hernandez v. Euromarket Designs, Inc.***, Santa Clara County Superior Court Case No. 20CV3770922;
- ***Ayala v. Veg-Land, et al.***, Orange County Superior Court Case No. 30-2014-00738775-CU-OE-CXC;
- ***Puente v. Sully-Miller Contracting Co.***, Orange County Superior Court Case No. 30-2015-00792088-CU-OE-CXC;
- ***Garcia v. Revolution Foods, Inc.***, Los Angeles Superior Court Case No. BC579142;
- ***Attaway, et al. v. Alliance Residential, LLC***, Santa Clara County Superior Court Case No. 20CV365134;
- ***Bowman v. Delta Dental of California***, Alameda County Superior Court Case No. RG21108230;

- **Hernandez v. Burrtec Waste & Recycling Services, LLC**, United States District Court for the Central District of California Case No. 5:21-CV-001490-JWH-SP;
- **Grant v. T-Mobile USA, Inc.**, United States District Court for the Central District of California Case No. 2:21-CV-02268;
- **Dawson v. Wonderful Pistachios and Almonds, LLC**, Kern County Superior Court Case No. BCV-17-100848;
- **Hamilton, et al. v. Michael Kors Stores (California), Inc.**, Los Angeles County Superior Court Case NO. 19STCV37061;
- **Ross v. Stater Bros.**, San Bernardino Superior Court Case No. CIVDS1902518;
- **Walker v. Barrett Business Services, Inc., et al.**, Los Angeles County Superior Court Case No. 20STCV39172;
- **Benitez, et al. v. Medtronic, Inc., et al.**, Orange County Superior Court Case No. 30-2019-01069185-CU-OE-CXC;
- **Montgomery v. Copart, Inc.**, Sacramento County Superior Court Case No. 34-2020-00280733-CU-OE-GDS;
- **Vizcarra-McNamee v. Nordstrom, Inc.**, Orange County Superior Court Case No. 30-2020-01141916-CU-OE-CXC;
- **Ayers v. Cherry Hill Programs, Inc.**, Fresno County Superior Court Case No. 20CECG00821;
- **Sleeper v. Boot Barn, Inc.**, Sacramento County Superior Court Case No. 34-2019-00272000-CU-OE-GDS;
- **Pulido-Dias v. Dirt Cheap, Inc.**, San Bernardino County Superior Court Case No. CIVDS1719694;
- **Villanueva v. Nordstrom, Inc.**, San Bernardino County Superior Court Case No. CIVDS1918706;
- **Bryson v. Madame Tussauds, et al.**, Los Angeles County Superior Court Case No. 19STCV33514

- **Hightower v. Levy Premium, et al.**, Santa Clara County Superior Court Case No. 19CV359262;
- **Marquez v. Maxim Crane Works, L.P., et al**, Los Angeles County Superior Court Case No. 19STCV39548;
- **Rovira v. Silverado Senior Living Management, Inc.**, Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC;
- **Hallum, et al. v. FCA US, LLC**, San Bernardino County Case No. CIVDS1936782;
- **Martinez v. Placer Title Co., et al.**, Kern County Case No. BCV-19-103486;
- **Torres v. Van Law Food Products, Inc.**, Orange County Case No. 37-2017-00946312-CU-OE-CXC;
- **Holmes v. Pet Food Express, LLC**, Alameda County Case No. 22CV014140;
- **Ventura v. Conduent Commercial Solutions, LLC**, Kern County Case No. BCV-22-102043;
- **Ramirez v. CSI Electrical Contractors, Inc.**, Fresno County Superior Court Case No. 18CECG04150;
- **Magana v. Eibach Springs, Inc.**, Riverside County Superior Court Case No. RIC1708917;
- **Knox v. Express Messenger Systems, Inc.**, San Bernardino County Superior Court Case No. CIVDS1932323;
- **Corona, et al. v. G&M Oil Company, Inc.**, Los Angeles County Superior Court Case No. BC640876
- **Aguilar v. Peach Home Services, Inc., et al.**, Riverside County Superior Court Case No. RIC1823057;
- **Wilson v. M.C. LLC**, Orange County Superior Court Case No. 30-2019-01103382-CU-OE-CXC.
- **Nunez v. Nevell Group, Inc.**, Orange County Superior Court Case No. 30-2015-00783269.

- ***Bendorf, et al. v. Sea World LLC, et al.***, San Diego Superior Court Case No. 37-2021-00034922-CU-OE-CTL;
- ***DeMartini, et al. v. Safelite Fulfillment, Inc.***, Marin County Case No. CIV20002076;
- ***Ayala, et al., v. Macy's West Stores, Inc.***, Los Angeles County Case No. 20STCV34182;
- ***Wallen, et al. v. United Rentals (North America), Inc., et al.***, Stanislaus County Case No. CV-22-000399;
- ***Granados v. Hyatt Corporation***, United States District Court for the Southern District of California Case No. 3:23-cv-01001-H-VET;
- ***Vigil v. Hyatt Corporation***, United States District Court for the Northern District of California Case No. 4:22-cv-00693;
- ***Garcia v. U.S. Best Ingredients, Inc.***, Los Angeles Superior Court Case No. 21TRCV00813.

23. Mr. Hawkins has been practicing law in California since 1997 and in 2007 incorporated his wage and hour class action practice as James Hawkins APCL. Since its inception, Mr. Hawkins has been lead and/or co-lead counsel in hundreds of wage and hour class action cases.

24. Ms. Fernandez has been a member of the Florida Bar since January 1996 and a member of the California Bar since August 2002. Ms. Fernandez has specialized in employment-related litigation including complex wage and hour civil litigation since 2003. Ms. Fernandez has been, and currently is, co-counsel in over 50 wage and hour class action litigations for our firm and has produced excellent results for this firm's clients in the wage and hour class actions.

25. I have been a member of the California Bar since July 2022 and was provisionally licensed prior to that time. I have specialized in complex wage and hour litigation since October 2021. I have been, and currently am, co-counsel in over 40 complex wage and hour cases and have successfully litigated wage and hour class and PAGA actions for our firm.

1           26.           Attached as Exhibit A to the Settlement Agreement is a true and correct copy of  
2 the Notice of Class and PAGA Action Settlement; (“Class Notice.”)

3           27.           On May7, 2025, Plaintiff submitted the Settlement Agreement, concurrently with  
4 the filing of this motion, to the LWDA.

5           I declare under penalty of perjury that the foregoing is true and correct. Executed on May  
6 7, 2025 at Irvine, California.

7  
8   
9 Anthony Draper



## **EXHIBIT 1**

## **CLASS, PAGA, and FCRA SETTLEMENT AGREEMENT**

This Class, PAGA, and FCRA Action Settlement Agreement (“Agreement”) is made by and between Amber Palma. (“Plaintiff”) and Defendant Volunteers of America Northern California and Northern Nevada, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

### **1. DEFINITIONS**

**1.1. “Action”** means Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Amber Palma v. Volunteers of America Northern California and Northern Nevada, Inc.*, Case No. 34-2020-00282148 (Superior Court of the State of California, County of Sacramento) and Plaintiff’s lawsuit alleging employee background check claims against Defendant captioned *Amber Palma v. Volunteers of America Northern California and Northern Nevada, Inc.*, Case No. 34- 2021-00301329 (Superior Court of the State of California, County of Sacramento)

**1.2. “Administrator”** means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

**1.3. “Administration Expenses Payment”** means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

**1.4. “Aggrieved Employee”** means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the PAGA Period.

**1.5. “Attorneys’ Fees”** means the amount allocated to Class Counsel for reimbursement of reasonable attorneys’ fees up to 35% of the Gross Settlement Amount, which equals Three Hundred Eighty Five Thousand Dollars (\$385,000) to be paid from the Gross Settlement Amount.

**1.6. “Attorneys’ Expenses”** means the amount allocated to Class Counsel for reimbursement of reasonable expenses incurred to prosecute the Action in an amount not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000..

**1.7. “Background Check Class”** means all persons who executed Defendant’s disclosure form to obtain consumer reports for employment purposes in the state of California during the Background Check Class Period. The number for this settlement class members is 3,636

**1.8. “Background Check Class Period”** means the period from May 5, 2016, to June 3, 2024.

**1.9. “Background Check Fund”** means that portion of the Settlement Amount allocated to settlement of claims relating to Defendant’s background check procedures. The amount of the Background Check Fund is \$36,000.

**1.10. “Class Counsel”** means James Hawkins, Isandra Fernandez, and Anthony Draper of James Hawkins APLC.

**1.11. “Class Data”** means Class Member identifying information in Defendant’s possession including, but not limited to, the Class Member’s name, last-known mailing address, Social

Security number, and number of Class Period Workweeks and PAGA Pay Periods as reported by Defendant.

**1.12. “Class Member” or “Settlement Class Member”** means a member of the Background Check Class and Wage and Hour Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

**1.13. “Class Member Address Search”** means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

**1.14. “Class Notice”** means the NOTICE OF CLASS AND PAGA ACTION SETTLEMENT, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

**1.15. “Class Representative”** means the named plaintiff, Amber Palma, who is seeking Court approval to serve as Class Representative.

**1.16. “Class Representative Service Award”** means the payment to Class Representative for initiating the Action and providing services in support of the Action.

**1.17. “Court”** means the Superior Court of California, County of Sacramento.

**1.18. “Defendant”** means Volunteers of America Northern California and Northern Nevada, Inc.

**1.19. “Defense Counsel”** means Alexander M. Medina and Kyle W. Owen from Medina McKelvey, LLP.

**1.20. “Effective Date”** means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

**1.21. “Final Approval”** means the Court’s order granting final approval of the Settlement.

**1.22. “Final Approval Hearing”** means the Court’s hearing on the Motion for Final Approval of the Settlement.

**1.23. “Final Judgment”** means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

**1.24. “Gross Settlement Amount”** (“GSA”) means the One Million One Hundred Thousand Dollars (\$1,100,000) Defendant shall pay to cover payments to Class Members; Settlement Administration Expenses; Attorneys’ Fees, Attorneys’ Expenses; Service Award; Background Check Fund and the PAGA Penalty Amount. The GSA shall be all in with no reversion to Defendant with no claim form required. The employer’s share of payroll taxes shall not be paid from the GSA and shall remain the sole responsibility of Defendant.

**1.25. “Individual Class Payment” (Wage and Hour Class)** means the Wage and Hour Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

**1.26. “Individual Class Payment” (Background Check Class)** means the Background Check Participating Class Member’s equal share of the Background Check Fund.

**1.27. “Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

**1.28. “Judgment”** means the judgment entered by the Court based upon the Final Approval.

**1.29. “LWDA”** means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).

**1.30. “LWDA PAGA Payment”** means 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

**1.31. “Net Settlement Amount”** means the Gross Settlement Amount, less deductions for the following amounts approved by the Court: PAGA Penalty Amount, Class Representative Service Award, Attorneys’ Fees, Attorneys’ Expenses, Administration Expenses and Background Check Fund. The remainder is to be paid to Participating Wage and Hour Class Members as Individual Class Payments.

**1.32. “Non-Participating Class Member”** means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

**1.33. “PAGA”** means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

**1.34. “PAGA Period”** means the period from July 23, 2019, to June 3, 2024.

**1.35. “PAGA Pay Period”** means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

**1.36. “PAGA Notice”** means, collectively, Amber Palma’s July 23, 2020 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

**1.37. “PAGA Penalties”** means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.

**1.38. “Participating Class Member”** means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

**1.39. “Plaintiff”** means Amber Palma, the named plaintiff in the Action.

**1.40. “Preliminary Approval”** means the Court’s Order Granting Preliminary Approval of the Settlement.

**1.41. “Preliminary Approval Order”** means the Order Granting Preliminary Approval and Approval of PAGA Settlement.

**1.42. “Released Class Claims”** means the claims being released as described in Paragraph 5.2 below.

**1.43. “Released PAGA Claims”** means the claims being released as described in Paragraph 5.3 below.

**1.44. “Released Parties”** means: Volunteers of America Northern California and Northern Nevada, Inc.

**1.45. “Request for Exclusion”** means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

**1.46. “Response Deadline”** means 45 calendar days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

**1.47. “Settlement”** means the disposition of the Action effected by this Agreement and the Judgment.

**1.48. Wage and Hour Class** means all non-exempt employees employed by Defendant in California at any time during the Wage and Hour Class Period.

**1.49. “Wage and Hour Class Period”** means the period from July 23, 2016, to June 3, 2024.

**1.50. “Workweek”** means the fulltime equivalent of the average workweek worked by Class Members during the Class Release Period. Workweeks shall be calculated based on the total number of hours worked by each class member, divided by the average number of shifts in a workweek (5), divided by the average hours worked in a shift (7.51).

## **2. RECITALS**

**2.1.** On July 23, 2020, Plaintiff Amber Palma. commenced the Action by filing a Class Action Complaint alleging causes of action against Defendant for (1) failure to pay lawful wages; (2) failure to provide lawful meal periods or compensation in lieu thereof; (3) failure to provide lawful rest periods of compensation in lieu thereof; (4) failure to timely pay wages; (5) knowing and intentional failure to comply with itemized employee wage statement provisions; and (6) violation of the unfair competition law, Case No. 34-2020-00282148 in Sacramento Superior Court .

**2.2.** On July 23, 2020, Plaintiff provided timely written notice to the Labor and Workforce Development Agency (“LWDA”) and to Defendant of Plaintiff’s intent to pursue a Labor Code section 2698 Private Attorney General Act (“PAGA”) claim.

**2.3.** On April 20, 2021, Plaintiff filed, upon Court approval, a First Amended Class Action Complaint, adding a cause of action for civil penalties under PAGA. The operative First Amended Class Action Complaint therefore alleged the following causes of action: (1) failure to pay lawful wages; (2) failure to provide lawful meal periods or compensation in lieu thereof; (3) failure to provide lawful rest periods of compensation in lieu thereof; (4) failure to timely pay wages; (5) knowing and intentional failure to comply with itemized employee wage statement provisions; (6) violation of the unfair competition law; (7) and civil penalties under PAGA.

**2.4.** On May 24, 2021, Plaintiff filed a separate class action in Sacramento County Superior Court, alleging Defendant improperly conducted employee background checks without providing the proper disclosures and obtaining authorization in violation of the Fair Credit Reporting Act (“FCRA”), Investigative Consumer Reporting Agencies Act (“ICRAA”) Consumer Credit Reporting Agencies Act (“CCRAA”) Case No. 34- 2021-00301329.

**2.5.** On April 4, 2024, the Parties participated in an all-day mediation presided over by Hon. Amy Hogue (Ret.). An agreement was not reached at the conclusion of the mediation. The parties continued in settlement discussions and further exchanged pertinent information in support of settlement efforts. The mediator continued to assist the Parties throughout the ongoing settlement negotiations. The mediator made a settlement proposal that was accepted by all Parties on August 29, 2024.

**2.6.** Prior to the mediations and through pre-certification discovery in the Action, Plaintiff obtained, through formal and informal discovery, policy documents, personnel file materials, and time and payroll records for a random sampling of the potential class. Plaintiff’s counsel worked with third party consultants to analyze these materials and conducted an investigation sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

### **3. MONETARY TERMS**

**3.1. Gross Settlement Amount.** Except as otherwise provided below, Defendant promises to pay \$1,100,000 and no more as the GSA, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. Defendant shall pay the GSA to a Qualified Settlement Fund (“QSF”) to be established and maintained by the Administrator. The Administrator will disburse the entire GSA without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the GSA will revert to Defendant.

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

**3.2.1. To Plaintiff:** Subject to Court approval, the Class Representative Service Award to the Class Representative of not more than \$7,500 to Amber Palma (in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff’s request for a Class Representative Service Award that does not exceed this amount. If the Court approves the Class Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Award.

**3.2.2. To Class Counsel:** Subject to Court approval, an Attorneys’ Fees payment to Class Counsel of not more than 35% of the GSA, which is currently estimated to be \$385,000 and an Attorneys’ Expense payment to Class Counsel not to exceed \$20,000. Defendant will not oppose requests for these payments provided they do not exceed these amounts. If the Court approves an Attorneys’ Fees payment and/or an Attorneys’ Expense payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff’s Counsel arising from any claim to

any portion of an Attorneys' Fees payment and/or an Attorneys' Expense payment. The Administrator will pay the Attorneys' Fees payment and the Attorneys' Expense payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees payment and the Attorneys' Expense payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

**3.2.3. To the Administrator:** An Administration Expenses Payment not to exceed \$23,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$23,000 the Administrator will retain the remainder in the Net Settlement Amount.

**3.2.4. To Each Participating Wage and Hour Class Member:** An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

**3.2.5. Each Participating Background Check Class Member:** An Individual Class Payment calculated by dividing the Background Check Fund of \$36,000 equally among the Participating Background Check Class Member.

**3.2.5.1. Tax Allocation of Individual Class Payments.** 20% of each Wage and Hour Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Wage and Hour Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Background Check Payments will be allocated as non-wages for which IRS Forms 1099 will be issued. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

**3.2.5.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments.** Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis with respect to the Wage and Hour Participating Class Members and equally with respect to the Background Check Participating Class Members.

**3.2.6. To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$ 55,000 to be paid from the Gross Settlement Amount, with 75% (\$41,250) allocated to the LWDA PAGA Payment and 25% (\$13,750) allocated to the Individual PAGA Payments.

**3.2.6.1.** The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

#### 4. SETTLEMENT FUNDING AND PAYMENTS

**4.1. Class Workweeks.** Wage and hour class member settlement shares will be calculated pro rata based on the workweeks per class member during the class period. Workweeks shall be calculated based on the total number of hours worked by each class member during the Wage and Hour Class Period, divided by the average number of shifts in a workweek (5), divided by the average hours worked in a shift (7.51).

**4.2. Class Data.** Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted a class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

**4.3. Funding of Gross Settlement Amount.** Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 15 days after the Effective Date.

**4.4. Payments from the Gross Settlement Amount.** Within 15 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Attorneys' Fees payment, the Attorneys' Expenses payment, and the Class Representative Service Award. Disbursement of the Attorneys' Fees payment, the Attorneys' Expenses payment and the Class Representative Service Award shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

**4.4.1.** The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

**4.4.2.** The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.



**4.4.3.** For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

**5. RELEASE OF CLAIMS.** Effective on the date when Defendants fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

**5.1. Plaintiff's Release.** Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge the Released Parties from all claims, transactions, or occurrences arising out of or relating to their employment with Defendants, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaints and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaints, Plaintiff's PAGA Notice, or ascertained during the Action and released under 5.2, below ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believe to be true but agree, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

**5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

**5.2. Release by Participating Wage and Hour Class Members:** All Participating Wage and Hour Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Wage and Hour Operative Complaint and ascertained in the course of the Action, including (a) any and all claims involving any alleged failure to pay lawful wages under Labor Code sections 510, 1194, 1197, and IWC Wage Orders; (b) any and all claims alleging any alleged failure to provide meal periods or compensation in lieu thereof under Labor Code sections 512, 226.7, and IWC Wage Orders; (c) any and all claims alleging any alleged failure to provide rest periods or compensation in lieu thereof under Labor Code section 226.7 and IWC Wage Orders; (d) any and all claims alleging any alleged failure to timely pay wages Under Labor Code sections 201–203, and IWC Wage Orders; (e) any and all claims alleging any alleged failure to provide accurate wage statements under Labor Code section 226 and IWC Wage Orders; and (f) any and all claims alleging any alleged failure to

comply with California Business and Professions Code sections 17200, *et seq.* based on the above-listed violation. Except as set forth in Section 5.4 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

**5.3. Release by Participating Background Check Class Members** : All Background Check Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims, rights, demands, liabilities, and causes of action, known or unknown, that were alleged or that could have been alleged based on the facts alleged in the Action including all claims the Fair Credit Reporting Act, the California Investigative Consumer Reporting Agencies Act, and the California Consumer Credit Reporting Agencies Act. The Background Check Class Released Claims specifically include, without limitation: claims for: (1) Violations of the Fair Credit Reporting Act; (2) Violations of the California Investigative Consumer Reporting Agencies Act; and (3) Violations of the California Consumer. Except as set forth in Section 5.4 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

**5.4. Release by Aggrieved Employees**: All Aggrieved Employees, whether or not they are Participating Class Members, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, the PAGA Notice, and as ascertained in the course of the Action, including alleged violations of California Labor Code §§ 201–203, 210, 226, 226.7, 510, 512, 1194, 1197, 1198.

**6. MOTION FOR PRELIMINARY APPROVAL**. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

**6.1. Plaintiff's Responsibilities**. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; and (iii) a draft proposed Class Notice.

**6.2. Responsibilities of Counsel**. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

**6.3. Duty to Cooperate**. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person, by telephone, or remote means, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf

of the Parties by meeting in person, by telephone, or remote means, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

## **7. SETTLEMENT ADMINISTRATION.**

**7.1. Selection of Administrator.** The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

**7.2. Employer Identification Number.** The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

**7.3. Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

### **7.4. Notice to Class Members.**

**7.4.1.** No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Wage and Hour Class Data. The data shall also include number of class members in the Background Check Class.

**7.4.2.** Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payments and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

**7.4.3.** Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

**7.4.4.** The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

**7.4.5.** If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone,

and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

#### **7.5. Requests for Exclusion (Opt-Outs).**

**7.5.1.** Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

**7.5.2.** The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge, but subject to court approval. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, but subject to court approval.

**7.5.3.** Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

**7.5.4.** Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.4 of this Agreement and will receive an Individual PAGA Payment regardless of whether they submit a timely and valid Request for Exclusion.

**7.5.5.** If a Class Member submits both a valid Request for Exclusion and a valid Objection, the Request for Exclusion shall control.

**7.6. Challenges to Calculation of Workweeks and Pay Periods.** Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise

susceptible to challenge, but subject to court review. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

## **7.7. Objections to Settlement.**

**7.7.1.** Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Attorneys' Fees payment, Attorneys' Expenses payment and/or Class Representative Service Award.

**7.7.2.** Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). If a written objection is not submitted, a Participating Class Member, and/or their attorney, may still appear at the Final Approval Hearing to object.

**7.7.3.** Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

**7.8. Administrator Duties.** The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

**7.8.1. Website, Email Address and Toll-Free Number.** The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Attorneys' Fees payment and Attorneys' Expenses payment and Class Representative Service Award, the Final Approval, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

**7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List.** The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

**7.8.3. Weekly Reports.** The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

**7.8.4. Workweek and/or Pay Period Challenges.** The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge but subject to court review.

**7.8.5. Administrator's Declaration.** Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

**7.8.6. Final Report by Settlement Administrator.** Within 10 days after the Administrator disburses all funds in the GSA, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

**8. CLASS SIZE ESTIMATES.** Defendant certifies that the number of workweeks for all class members from July 23, 2016, to February 29, 2024 (the data set prior to mediation), is 89,025 (the "Certified Workweek Amount"). If the Certified Workweek Amount (based on data from July 23, 2016 to February 29, 2024) is greater than 89,025, then Defendant shall adjust the data set period to ensure that the workweek total does exceed 89,025.

**9. DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

**10. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, or as approved by the Court, Plaintiff will file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person, by telephone, or other remote means, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

**10.1. Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no

later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

**10.2. Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Award, Attorneys' Fees payment, Attorneys' Expenses payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

**10.4. Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees payment and Attorneys' Expenses payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

**10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.** If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

**11. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

## **12. ADDITIONAL PROVISIONS**

**12.1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaints have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant

reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

**12.2. Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

**12.3. No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

**12.4. Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party, including without limitation the Parties' Memorandum of Understanding.

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

**12.6. Cooperation.** The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

**12.7. No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or



encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

**12.8. No Tax Advice.** Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

**12.9. Modification of Agreement.** This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

**12.10. Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

**12.11. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

**12.12. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

**12.13. Confidentiality.** To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

**12.14. Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

**12.15. Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

**12.16. Notice.** All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Isandra Fernandez  
Anthony Draper  
**JAMES HAWKINS APLC**  
9880 Research Drive, Suite 200  
Irvine, California 92618

To Defendant:

Alexander M. Medina  
Kyle W. Owen  
**MEDINA McKELVEY, LLP**

925 Highland Pointe Drive, Suite 300  
Roseville, California 95678

**12.17. Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves, signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

**12.18. Stay of Litigation.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, that upon the signing of this Agreement, pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 will be extended for the entire period of this settlement process.

**BY PLAINTIFF**

Dated: 3/12/2025

DocuSigned by:  
Amber Palma  
Amber Palma

**BY DEFENDANT**

Volunteers of America Northern California  
and Northern Nevada, Inc.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**BY PLAINTIFF'S COUNSEL**

Dated: 03/12/2025

**JAMES HAWKINS APLC**



James R. Hawkins  
Isandra Fernandez  
Anthony Draper  
Attorneys for Plaintiff  
Amber Palma.

**BY DEFENSE COUNSEL**

Dated: \_\_\_\_\_

**MEDINA McKELVEY, LLP**

Alexander M. Medina  
Kyle W. Owen  
Attorneys for Defendant  
Volunteers of America Northern California  
and Northern Nevada, Inc

925 Highland Pointe Drive, Suite 300  
Roseville, California 95678

**12.17. Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves, signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

**12.18. Stay of Litigation.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, that upon the signing of this Agreement, pursuant to CCP section 583.330, the date to bring a case to trial under CCP section 583.310 will be extended for the entire period of this settlement process.

**BY PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Amber Palma

**BY DEFENDANT**

Volunteers of America Northern California  
and Northern Nevada, Inc.

Dated: 3/14/2025 \_\_\_\_\_

DocuSigned by:  
  
\_\_\_\_\_  
Christie Holderfegger  
By: \_\_\_\_\_  
Its: President and CEO

**BY PLAINTIFF'S COUNSEL**

**JAMES HAWKINS APLC**

Dated: \_\_\_\_\_

\_\_\_\_\_  
James R. Hawkins  
Isandra Fernandez  
Anthony Draper  
Attorneys for Plaintiff  
Amber Palma.

**BY DEFENSE COUNSEL**

**MEDINA McKELVEY, LLP**

Dated: March 14, 2025 \_\_\_\_\_

  
\_\_\_\_\_  
Alexander M. Medina  
Kyle W. Owen  
Attorneys for Defendant  
Volunteers of America Northern California  
and Northern Nevada, Inc



## **EXHIBIT A**

## NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

*Amber Palma v. Volunteers of America Northern California and Northern Nevada, Inc., Case Nos. 34-2020-00282148 and 34- 2021-00301329 (Sacramento Superior Court)*

*The Superior Court for the State of California authorized this Notice. Read it Carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

**You may be eligible to receive money** from two employee class action lawsuits (“Actions”) against Volunteers of America Northern California and Northern Nevada, Inc., (“Defendant”) for alleged wage and hour violations and background check violations. The Actions were filed by a former employee Amber Palma (“Plaintiff”) and seek the following: payment of (1) back wages and other relief for a class of non-exempt employees who worked for Defendant in the state of California (“Wage and Hour Class Members”) during the Wage and Hour Class Period (July 23, 2016 to June 3, 2024); (2) payment to all persons who executed Defendant’s disclosure form to obtain consumer reports for employment purposes in the state of California (“Background Check Class Members”) during the Background Check Class Period (May 5, 2016 to June 3, 2024) and (3) penalties under the California Private Attorney General Act (“PAGA”) for all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California during the PAGA Period (July 23, 2019 to June 3, 2024) (“Aggrieved Employees”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Wage and Hour Class Payment as non-exempt employee of Defendant is estimated to be \$\_\_\_\_\_ (less withholding). Your Individual Background Check Class Payment is estimated to be \$\_\_\_\_\_.** **Your Individual PAGA Payment is estimated to be \$\_\_\_\_\_** The actual amount you may receive likely will be different and will depend on a number of factors. Also, please note that if no amount is stated for your Individual PAGA Payment, Individual Wage and Hour Class Payment and/or Individual Background Check Class Payment, then according to Defendant’s records you are not eligible for an Individual Payment under the Settlement because you didn’t work during those time periods.

The above estimates are based on Defendant’s records showing that **you worked \_\_\_\_\_ workweeks as a non-exempt employee of Defendant** during the Wage and Hour Class Period and **you worked \_\_\_\_\_ pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

If you are part of the Background Check Class, the amount you are receiving is an equal share of the Background Check Settlement Fund of \$36,000.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and

Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant as a non-exempt employee and/or executed Defendant's disclosure forms for Defendant to obtain background check reports for employment purposes during the Class Periods referenced above, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Wage and Hour Class Payment and/or Background Check Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and/or background check claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims and/or background check claims against Defendant.

**Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement**

## SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

|                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>                                                                                            | If you do nothing, you will be a Participating Class Member, eligible for Individual Class Payment (s) and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims and/or background check claims against Defendant that are covered by this Settlement <b>(Released Claims)</b> .                                                                                                                                                                                                                                                                                                                                                  |
| <b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b><br><br><b>The Opt-out Deadline is</b><br>_____                                        | If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once <b>excluded, you will be a Non-Participating Class Member and no longer eligible for any Individual Class Payment.</b> Non-Participating Class Members cannot object to any portion of the proposed Settlement. <b>See Section 6 of this Notice.</b>                                                                                                                                                                                                                                                  |
| <b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b><br><br><b>Written Objections Must be Submitted by</b><br>_____ | All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See <b>Section 7 of this Notice.</b> |
| <b>You Can Participate in the _____ Final Approval Hearing</b>                                                                                                   | The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                       | telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.                                                                                                                                                                                                                                                                                                                                                      |
| <b>You Can Challenge the Calculation of Your Workweeks/Pay Periods</b><br><br><b>Written Challenges Must be Submitted by</b><br>_____ | <p>The amount of your Individual Wage and Hour Class Payments (if any) depend on how many workweeks you worked at least one day during the Class Period. The number of Class Period Workweeks you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.</p> <p>The amount of your individual Background Check Class Payment is a pro rate share of the Background Check Settlement Fund of \$36,000.</p> |

## 1. WHAT IS THE ACTION ABOUT?

Plaintiff Amber Palma is a former non-exempt hourly employee of Defendant. The wage and hour Action accuses Defendant of violating California labor laws by failing to pay failure to pay lawful wages; failure to provide meal periods; failure to permit rest breaks; failure to provide accurate itemized wage statements; failure to pay wages timely and Violation of Business and Professions Code §§ 17200, *et seq.* Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). (Case No. 34-2020-00282148). The background check Action accuses Defendant of improperly conducted employee background checks without providing the proper disclosures and obtaining authorization in violation of the Fair Credit Reporting Act (“FCRA”), Investigative Consumer Reporting Agencies Act (“ICRAA”) Consumer Credit Reporting Agencies Act (“CCRAA”) (Case No. 34- 2021-00301329) Plaintiff is represented by attorneys in the Action: James Hawkins, Isandra Y. Fernandez, and Lance Dacre of James Hawkins APLC (“Class Counsel.”)

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

## 2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired a mediator, who is a retired judge, in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the



best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?**

1. Defendant Will Pay \$1,100, 000.00 as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Wage and Hour Class Payments, Individual Background Check Class Payments, Individual PAGA Payments, Class Representative Service Award, Class Counsel's attorney's fees and expenses, and the Administrator's expenses. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than fifteen (15) days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount ("GSA"), the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to \$385,000 (35% of the GSA) to Class Counsel for attorneys' fees and Attorneys' Expense payment to Class Counsel not to exceed \$20,000 for their litigation expenses. To date, Class Counsel has worked and incurred expenses on the Action without payment.
  - B. Up to \$7,500 as a Class Representative Service Award to Plaintiff for filing the Actions, working with Class Counsel and representing the Classes and Aggrieved Employees. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiffs' Individual Class Payments and any Individual PAGA Payment.
  - C. Up to \$23,000 to the Administrator for services administering the Settlement.
  - D. Up to \$55,000 for PAGA Penalties, allocated 75% (\$41,250) to the LWDA PAGA Payment and 25% (\$13,750) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.
  - E. The amount of \$36,000 allocated to the settlement of claims relating to Defendant's background check procedures. ("Background Check Fund")

Participating Class Members have the right to object to any of the deductions A through D above. The Court will consider all objections.
3. Net Settlement Amount Distributed to Class Members. After making the above deductions, in amounts approved by the Court, the Administrator will distribute the rest

of the Gross Settlement (the “Net Settlement Amount”) by making Individual Class Payments to Participating Wage and Hour Class Members based on their Class Period Workweeks. The Administration will also making Individual Class Payments to Participating Background Check Class Members based on an equal distribution of the Background Check Fund of \$36,000.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Wage and Hour Participating Class Member’s Individual Class Payment will be allocated to settlement of wage claims (the “Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Wage and Hour Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Background Check Payments will be allocated as non-wages for which IRS Forms 1099 will be issued. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
5. No Tax Advise-Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.
6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and/or Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than \_\_\_\_\_, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the \_\_\_\_\_ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.
8. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against

Defendant.

9. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
10. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount (and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

- A. **Release by Participating Wage and Hour Class Members:** All Participating Wage and Hour Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Wage and Hour Operative Complaint and ascertained in the course of the Action, including (a) any and all claims involving any alleged failure to pay lawful wages under Labor Code sections 510, 1194, 1197, and IWC Wage Orders; (b) any and all claims alleging any alleged failure to provide meal periods or compensation in lieu thereof under Labor Code sections 512, 226.7, and IWC Wage Orders; (c) any and all claims alleging any alleged failure to provide rest periods or compensation in lieu thereof under Labor Code section 226.7 and IWC Wage Orders; (d) any and all claims alleging any alleged failure to timely pay wages Under Labor Code sections 201–203, and IWC Wage Orders; (e) any and all claims alleging any alleged failure to provide accurate wage statements under Labor Code section 226 and IWC Wage Orders; and (f) any and all claims alleging any alleged failure to comply with California Business and Professions Code sections 17200, *et seq.* based on the above-listed violation. Except as set forth in Section 5.4 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.
- B. **Release by Participating Background Check Class Members :** All Background Check Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims, rights, demands, liabilities, and causes of action, known or unknown, that were alleged or that could have been alleged based on the facts alleged in the Action including all claims the Fair Credit Reporting Act, the California Investigative Consumer Reporting Agencies Act, and the California Consumer Credit Reporting Agencies Act. The Background Check Class Released Claims specifically include, without

limitation: claims for: (1) Violations of the Fair Credit Reporting Act; (2) Violations of the California Investigative Consumer Reporting Agencies Act; and (3) Violations of the California Consumer. Except as set forth in Section 5.4 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social

11. Aggrieved Employees and PAGA Release: All Aggrieved Employees, whether or not they are Participating Class Members, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, the PAGA Notice, and as ascertained in the course of the Action, including alleged violations of California Labor Code §§ 201–203, 210, 226, 226.7, 510, 512, 1194, 1197, 1198.

#### **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

1. Individual Wage and Hour Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual Background Check Payments: The Administrator will calculate Individual Class Payment calculated by dividing the Background Check Fund of \$36,000 equally among the Participating Background Check Class Members.
3. Individual PAGA Payments: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$13,750) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
4. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Wage and Hour Class Period as a non-exempt employee, as recorded in Defendant's records, are stated in the first page of this Notice. You have until \_\_\_\_\_ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission

and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them via First Class U.S. Mail, postage prepaid, to the Participating Class Members (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees.

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section \_\_ of this Notice has the Administrator's contact information.**

## 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as **Amber Palma v. Volunteers of America Northern California and Northern Nevada, Inc.**, and include your identifying information (full name, address, telephone number, and approximate dates of employment for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by \_\_\_\_\_, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 business days before the \_\_\_\_\_ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and includes a request for Attorney Fees, Litigation Expenses and Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website \_\_\_\_\_ (url) \_\_\_\_\_ or the Court's website: \_\_\_\_ (url) \_\_\_\_\_

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is \_\_\_\_\_.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as Amber Palma v. Volunteers of America Northern California and Northern Nevada, Inc., and include your name, current address,

telephone number, and approximate dates of employment for Defendant and sign the objection. Section \_\_\_ of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

## **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

You can, but don't have to, attend the Final Approval Hearing on \_\_\_\_\_ at (time) in Department \_\_\_ of the Sutter County Superior Court, located at \_\_\_\_\_. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Maximum Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making any decisions. You can attend (or hire a lawyer to attend) either personally or virtually.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website \_\_\_\_\_ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## **9. HOW CAN I GET MORE INFORMATION?**

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://>\_\_\_\_\_) and entering the Case Number for the Action, Case No. CVCS22-0000644.

### **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.**

#### Class Counsel:

Name of Attorney: Isandra Y. Fernandez, Lance Dacre.

Email Address: [isandra@jameshawkinsaplc.com](mailto:isandra@jameshawkinsaplc.com); [lance@jameshawkinsaplc.com](mailto:lance@jameshawkinsaplc.com)

Name of Firm: James Hawkins APLC

Mailing Address: 9880 Research Dr, Ste 200, Irvine, CA 92618

Telephone: (949) 387-7200

#### Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

#### **10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund \_\_\_\_\_ for instructions on how to retrieve the funds

#### **11. WHAT IF I CHANGE MY ADDRESS?**

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.