

AMENDED STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Amended Stipulation of Settlement (“Settlement Agreement”)¹ is reached by and between Plaintiff Vicente Gonzalez (“Plaintiff”), individually and on behalf of all members of the Settlement Class and PAGA Employees (both terms defined below), on one hand, and Defendant Norco Plastics, Inc. (“Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff, the Settlement Class and the PAGA Employees are represented by Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC (collectively, “Class Counsel”). Defendant is represented by Robert A. Hufnagel of Resnick & Louis, P.C.

On August 7, 2020, Plaintiff filed a class action Complaint against Defendant in Los Angeles County Superior Court, in the matter entitled *Vicente Gonzalez v. Norco Plastics, Inc., a California corporation; Beyond Staffing Solutions, Inc., a California corporation; Moonstone PEO, Inc., a Texas corporation; and Does 1 through 100, inclusive*, Case No. 20STCV30269 (the “Action”) alleging the following class action claims against Defendant and defendants Beyond Staffing Solutions, Inc. (“Beyond”) and Moonstone PEO, Inc. (“Moonstone”): (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to authorize and permit all rest periods; (d) failure to provide accurate, itemized wage statements; and (e) failure to pay all wages upon termination. As a result of the foregoing alleged violations, Plaintiff contends that Defendant (as well as Beyond and Moonstone) are further liable to Plaintiff and the Settlement Class and PAGA Employees (both terms defined below) because they engaged in unlawful business practices pursuant to Business and Professions Code section 17200 that could have been premised on the facts, claims, causes of action or legal theories described above. Defendant denies the allegations.

On December 3, 2020, pursuant to a stipulation between the Parties, the Los Angeles County Superior Court transferred the Action to San Bernardino County Superior Court, bearing Case No. CIVSB2026519.

After having exhausted his administrative remedies with the California Labor & Workforce Development Agency (“LWDA”) by way of a letter submitted to the LWDA on September 28, 2020 (a true and correct copy of which is attached hereto as **Exhibit A**), on December 28, 2020, Plaintiff filed a First Amended Complaint (“FAC”) against Defendant, Beyond and Moonstone which added a claim under the Labor Code Private Attorney General Act of 2004 (“PAGA”) seeking civil penalties premised on the facts, claims, causes of action or legal theories described in the original Complaint.

On April 30, 2021, pursuant to a request by Plaintiff and after proper service of the FAC on Moonstone, the San Bernardino County Superior Court entered a default against Moonstone.

¹ The Stipulation of Class Action and PAGA Settlement was fully executed by the Parties on or about March 24, 2022. After the November 8, 2022 Status Conference with the Court, the Parties amended the Settlement Agreement to reflect the Court’s instruction of designating a cy pres recipient given the potential issues the Parties face with providing notice to the proposed Settlement Class. Therefore, the Parties executed the instant Amended Settlement Agreement.

On June 11, 2021, pursuant to a request by Plaintiff and after proper service of the FAC on Beyond, the San Bernardino County Superior Court entered a default against Beyond.

On July 21, 2021, Defendant filed an Answer to Plaintiff's FAC.

On July 21, 2021, Defendant filed a Cross-Complaint in the Action against Beyond and Moonstone asserting claims for: (i) express indemnity against Beyond; (ii) breach of contract against Beyond; (iii) breach of duty to defend against Beyond; (iv) implied indemnity against Beyond and Moonstone; and (v) contribution against Beyond and Moonstone; (vi) declaratory relief against Beyond and Moonstone. Defendant contends in its cross-complaint that to the extent there is any liability (which Defendant denies), it is the responsibility in whole or in part of cross-defendants Beyond and Moonstone. Moreover, the time for Beyond and Moonstone to respond to the cross-complaint has lapsed and defaults have been requested by Defendant against these cross-defendants to the cross-complaint.

Given the uncertainty of litigation and Defendant's denial of Plaintiff's claims, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class, PAGA Employees and the State of California. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt, hourly employees who worked for Defendant Norco Plastics, Inc. (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through a staffing agency) in California at any time from August 7, 2016 through date of preliminary approval of the Settlement.

For purposes of this Settlement Agreement, the "Class Period" shall mean the time period of August 7, 2016 through the date of preliminary approval of this Settlement Agreement.

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **PAGA Employees.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the following definition of PAGA Employees:

All current and former non-exempt, hourly employees who worked for Defendant Norco Plastics, Inc. (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through a staffing agency) in California at any time from August 7, 2019 through date of preliminary approval of the Settlement.

For purposes of this Settlement Agreement, the “PAGA Period” and release under the PAGA shall mean the time period between August 7, 2019 through the date of preliminary approval.

3. **Amendment to Complaint.** In connection with the mediation, Defendant provided Plaintiff with time punch and pay data and other information relating to the members of the Settlement Class. That information was analyzed by Plaintiff, and the Parties negotiated this Settlement with the intention of resolving not only the claims asserted in the FAC, but also a claim for failure to provide meal periods. Therefore, as a material term and condition of this Settlement, the Parties agree to stipulate, for settlement purposes only, that Plaintiff be granted leave to file a Second Amended Complaint to add a cause of action for failure to provide meal periods, or pay premium pay for non-compliant meal periods, and also to add to the PAGA claim, a request for civil penalties based on the failure to provide meal periods. Defendant shall cooperate, as necessary, to stipulate to and/or otherwise effectuate the filing of the Second Amended Complaint. On February 3, 2022, Plaintiff submitted a supplemental letter to the LWDA asserting a claim based on the failure to provide meal periods (a true and correct copy of which is attached hereto as **Exhibit B**). This Settlement is expressly conditioned upon the Court granting leave to file the Second Amended Complaint. The Proposed Second Amended Complaint is attached to this Settlement as **Exhibit C**. If the Court grants preliminary approval and leave for Plaintiff to file the Second Amended Complaint, Plaintiff shall file the Second Amended Complaint within ten court days, and Defendant is not required to file an answer to the Second Amended Complaint but will continue with its existing Cross-Complaint against Beyond and Moonstone for indemnity, contribution, etc. as to the allegations in the Second Amended Complaint. Insofar as Plaintiff is releasing Beyond and Moonstone as part of this Settlement, Plaintiff shall not be required to serve the Second Amended Complaint on Beyond or Moonstone.

4. **Release by Settlement Class Members and Plaintiff.** Plaintiff and every member of the Settlement Class (except those who timely and properly submit a Request for Exclusion as set forth below) will fully and forever completely release and discharge Defendant, and all of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives (including but not limited to Jack Williams and John Williams), accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (including, without limitation the other named defendants in the action, Beyond and Moonstone) (collectively the “Released Parties”), as follows:

- A. Settlement Class Members’ Release: Settlement Class members and Plaintiff will release all claims, demands, rights, liabilities and causes of action that are/were pled in the operative complaint in the Action (which is the proposed Second Amended Complaint attached hereto as **Exhibit C**), or which could have been pled in the operative complaint in the Action (which is the proposed Second Amended Complaint attached hereto as **Exhibit C**) based on the factual allegations therein, that arose during the Class Period including but not limited to the following claims: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (d) failure to provide meal periods, or premium pay for non-compliant meal periods; (e) failure to issue accurate, itemized wage statements; (f)

failure to pay all wages upon termination and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”).

- B. The time period for the release of the Released Claims shall be the same time period as the Class Period.
- C. PAGA Release: PAGA Employees, including Plaintiff, will release and forever discharge all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties based on (as alleged in the letter to the Labor & Workforce Development Agency (“LWDA”) September 28, 2020 and the operative complaint (which is the proposed Second Amended Complaint attached hereto as **Exhibit C**) for: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (d) failure to provide meal periods, or premium pay for non-compliant meal periods; (e) failure to issue accurate, itemized wage statements; (f) failure to pay all wages upon termination. (collectively, “PAGA Released Claims”). The PAGA Period and the time period of the PAGA Released Claims is defined as the time period of August 7, 2019 through date of preliminary approval of the Settlement (“PAGA Period”).
- D. In light of the Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims, which includes waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which 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.
- E. Notwithstanding the above, nor anything else in this Settlement, the waiver and release in this Settlement does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers’ compensation claims, pending or otherwise and/or benefits to be received by Plaintiff in workers’ compensation pursuant to the jurisdiction of workers’ compensation; and (ii) rights or claims arising out of this Settlement.
- F. The releases identified herein will only be effective upon the date that Defendant fully funds the Gross Settlement Amount.

5. **Retention of Claims by Defendant Against Beyond and Moonstone.** Notwithstanding the releases being provided by Plaintiff, the Class Members and the PAGA Employees, including without limitation to Beyond and Moonstone, Defendant is hereby specifically retaining by and through this Settlement any and all claims it has or may have against Beyond and Moonstone, including any claims asserted in the Cross-Complaint filed in the Action on or about July 21, 2021. Nothing in this Settlement, nor the Judgment if and when the Court finally approves this Settlement, shall prevent Defendant from proceeding with its claims in the Cross-Complaint or any other claims it has or may have against Beyond and/or Moonstone. Any action or inaction, recovery or no recovery, by Defendant against Beyond and/or Moonstone as to the Cross-Complaint shall not affect this Agreement.

6. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a “Gross Settlement Amount” of Four Hundred Twenty Thousand Dollars and Zero Cents (\$420,000.00) (unless such Gross Settlement Amount is increased pursuant to Paragraph 6.E. below) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Simpluris Class Action Settlement Administration (“Simpluris”) as the “Settlement Administrator” to administer this Settlement. All administrative costs due and owing to the Settlement Administrator shall be paid from the Gross Settlement Amount.
- B. With the exception of the Settlement Administrator’s fees, if required by the Settlement Administrator, the Gross Settlement Amount shall be deposited by Defendant into a qualified settlement fund set up by the Settlement Administrator for the benefit of participating Settlement Class members and PAGA Employees. Defendant agrees to deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) calendar days after the “Effective Date” which is defined as the latter of: (a) the Court’s final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class members;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Six Thousand Eight Hundred Dollars and Zero Cents (\$6,800.00);
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff’s Class Representative Service Award or Enhancement Payment, in recognition of his contributions to the Action, and his service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement Agreement, and this Settlement shall remain binding;

- (4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees [estimated to be One Hundred Forty Dollars and Zero Cents (\$140,000.00), unless the Gross Settlement Amount is increased pursuant to Paragraph 6.E. below], plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Twenty Thousand Dollars and Zero Cents (\$20,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees and/or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
 - (5) Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the "PAGA Amount," as described below.
- D. Defendant's share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.
- E. **Unexpected Workweeks/Escalator Clause.** Defendant represents that there are an estimated 12,524 workweeks during the Class Period. If the number of workweeks during the Class Period is more than 10% greater than this figure (i.e., if there are 13,776.5 or more workweeks worked by the settlement Class Members during the Class Period), Defendant shall have the sole election to: (i) increase the Gross Settlement Amount at the percentage above 10% (i.e., if there was 12% increase in the number workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 2%); or (ii) may elect to cut off the Class Period and the PAGA Period as of the date the total workweeks worked by Class Members during the Class Period reaches 13,776.5 workweeks.
7. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Settlement Awards will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Service Award, the Settlement Administrator's fees and expenses for administration, and the amounts designated as PAGA civil penalties payable to the LWDA and the PAGA Employees. The remaining amount shall be known as the "Net Settlement Amount."

- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Settlement Award based on the following formula:
- i. The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of workweeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class member's total workweeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total workweeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.
- C. PAGA Amount: Five Thousand and Zero Cents (\$5,000.00) of the Gross Settlement Amount has been designated as the "PAGA Amount" as described above. Each PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of workweeks that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee's number of workweeks worked as a non-exempt employee during this time period, and the denominator of which is the total number of workweeks worked by all PAGA Employees.
- D. Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for the Parties for review and approval. Within seven (7) calendar days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel.
- E. For purposes of calculating applicable taxes and withholdings, each Settlement Award shall be allocated as follows: Sixty-Seven percent (67%) as penalties and interest; and Thirty-Three percent (33%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Each Settlement Class member who receives a Settlement Award will be responsible for correctly characterizing the payment for tax purposes and for payment of any taxes owing on said amount. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- F. Each member of the Settlement Class who receives a Settlement Award must cash the check(s) within 180 days from the date the Settlement Administrator mails

it/them. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing will be distributed, subject to the Court's approval, and consistent with Code of Civil Procedure Section 384 to Inland Counties Legal Services located at 455 N. D Street San Bernardino, CA 92401, as the designated *cy pres*.

8. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be One Hundred Forty Thousand Dollars and Zero Cents (\$140,000.00) (unless the Gross Settlement Amount is increased pursuant to Paragraph 6.E. above, in which case the attorneys' fees shall increase accordingly). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

9. **Class Representative Service Award.** Defendant will not object to a request for a Class Representative Service Award of up to Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for his time and risk in prosecuting this case, his service to the Settlement Class, and his execution of a general release. This award will be in addition to Plaintiff's Settlement Award as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

10. **Settlement Administrator.** Defendant will not object the appointment of Simpluris as Settlement Administrator. Defendant will not object to Plaintiff's seeking permission to pay up to Six Thousand Eight Hundred Dollars and Zero Cents (\$6,800.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, which shall be paid by Defendant separate and apart from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class members.

11. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

- B. Appointing Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Milan Moore and Elizabeth Nguyen of Lidman Law, APC as Class Counsel;
- C. Appointing Vicente Gonzalez as Class Representative for the Settlement Class;
- D. Approving Simpluris as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Notice of Pendency of Class Action and Settlement and Notice of Settlement Award, drafts of which are attached collectively hereto as **Exhibit D**), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

12. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. The names, last known addresses, phone numbers, social security numbers, and the number of workweeks worked (or information allowing the Settlement Administrator to calculate same) as a non-exempt employee by each Settlement Class member while employed during the Class Period and PAGA Period is defined herein as the “Class Data”. Most of the Class Data (namely, the contact information and social security numbers) is currently in the sole possession of Beyond and/or Moonstone. Defendant shall use its best efforts to obtain the Class Data and, within thirty (30) calendar days after entry of an order preliminarily approving this Agreement, provide the Settlement Administrator with it in an electronic format satisfactory to the Settlement Administrator. To the extent Defendant has difficulty obtaining the complete Class Data from Beyond and/or Moonstone necessary for the Settlement Administrator to mail the Notice Packets to the Class Members, the Parties will meet and confer collectively in good faith, and with the Court if necessary, to obtain such information so that the Settlement can be properly administered.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to

the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.
 - ii. The Parties agree there is no statutory or other right for any Settlement Class member to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Settlement Class member who submits a valid and timely Request for Exclusion shall still receive his or her proportionate share of the PAGA Amount.
- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by mailing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel). Class Counsel shall file any objections with the Court. Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any written objection must: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, if any; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing in person or virtually irrespective of whether they submitted any written objections.
- E. Notice of Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well the Settlement Class member's number of pay

periods worked as a non-exempt employee during the Class Period. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified before the Response Deadline, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once before the Response Deadline, the Settlement Administrator shall continue to make reasonable efforts to obtain an updated mailing address. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

13. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Service Award, and settlement administration costs; and

- C. Entering judgment pursuant to California Rule of Court 3.769 and posting notice of the judgment on a static website created and maintained by the Settlement Administrator.

14. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. In particular, but without limiting the generality of the foregoing, nothing about this Settlement Agreement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties, and it shall not be construed as or deemed to be evidence of, or an admission or concession that the any Settling Class member has suffered any damage. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

15. **Non-disclosure and Non-publication.** Prior to the filing of the Motion for Preliminary Approval, Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel. Class Counsel may also include a general description of the Settlement on their respective websites but may not include the name(s) of any of the Parties, or the case name or case number of the Action.

16. **Legal Developments.** The Parties agree that Plaintiff will submit to the Court a motion for preliminary approval of this Settlement containing all of the terms and conditions contained herein notwithstanding any new legal developments regarding the Released Claims.

17. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

18. **Attorneys' Fees:** In the event of any dispute arising out of the interpretation, performance, or breach of any provision of this Settlement Agreement, the prevailing party in such dispute(s) shall be entitled to recover her and/or its reasonable attorneys' fees and costs incurred arising from such dispute.

19. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Robert A. Hufnagel of Resnick & Louis, P.C., 3350 Shelby Street, Suite 200, Ontario, California 91764; rhufnagel@rlattorneys.com

if to Plaintiff: Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC, 2155 Campus Drive, Suite 150, El Segundo, California 90245; slidman@lidmanlaw.com and enguyen@lidmanlaw.com

Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com

20. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

21. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

22. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED: DEFENDANT NORCO PLASTICS, INC.

By: _____

Its: _____

DATED: Jan 25, 2023

PLAINTIFF VICENTE GONZALEZ

By: *Vicente Gonzalez*
Vicente Gonzalez (Jan 25, 2023 11:52 PST)

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: RESNICK & LOUIS, P.C.

if to Defendant: Robert A. Hufnagel of Resnick & Louis, P.C., 3350 Shelby Street, Suite 200, Ontario, California 91764; rhufnagel@rlattorneys.com.

if to Plaintiff: Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC, 2155 Campus Drive, Suite 150, El Segundo, California 90245; slidman@lidmanlaw.com and enguyen@lidmanlaw.com

Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com

20. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

21. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

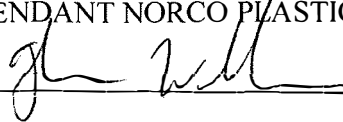
22. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

DATED:

01/30/2023

DEFENDANT NORCO PLASTICS, INC.

By:



Its:

CEO

DATED:

PLAINTIFF VICENTE GONZALEZ

By:

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

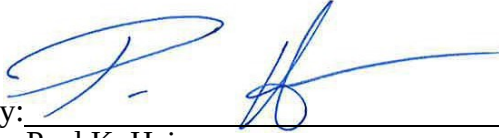
DATED: January 30, 2023

RESNICK & LOUIS, P.C.

By: 
Robert A. Hufnagel
Attorneys for Defendant Norco Plastics, Inc.

DATED: January 31, 2023

HAINES LAW GROUP, APC

By: 
Paul K. Haines
Attorneys for Plaintiff Vicente Gonzalez

DATED: January 31, 2023

LIDMAN LAW, APC

By: 
Scott M. Lidman
Attorneys for Plaintiff Vicente Gonzalez

EXHIBIT A

EXHIBIT A

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

September 28, 2020

VIA LWDA WEBSITE

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

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Moonstone PEO, Inc.
760 N. Euclid St., Ste. 212
Anaheim, CA 92801

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Norco Plastics, Inc.
c/o John Williams, Agent for Service of
Process
14325 Monte Vista Avenue
Chino, CA 91710

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Beyond Staffing Solutions, Inc.
c/o John Harvey, Agent for Service of Process
4957 N. Grand Ave.
Covina, CA 91724

Re: *Vicente Gonzalez v. Norco Plastics, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc.; Beyond Staffing Solutions, Inc.; and Moonstone PEO, Inc. (“Defendants”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all former and current employees of Defendants (including any and all individuals who worked for and/or provided services for Defendants through a staffing agency) who were classified as non-exempt and have worked for Defendants during the one year preceding the date of this letter through the present date.

Mr. Gonzalez, a former employee, was employed by Defendants as an hourly, non-exempt employee from approximately March 2019 until approximately January 2020, at which time he was terminated. During most of his employment with Defendants, Mr. Gonzalez was staffed by Defendants Beyond Staffing Solutions, Inc. and Moonstone PEO, Inc. to work at Defendant Norco Plastics, Inc.’s facility located in Chino, California as an assembler.

Throughout Mr. Gonzalez’s employment with Defendants, Mr. Gonzalez was generally scheduled to work Monday through Friday from approximately 3:00 p.m. to approximately 11:00 p.m. Throughout Mr. Gonzalez’s employment with Defendants, Defendants utilized policies and procedures that required Mr. Gonzalez to clock in and out by scanning a tag with a barcode on it. Furthermore, Defendants’ timekeeping policies and practices required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his

scheduled shift. This was because Defendants operated in 3 shifts at Norco Plastics, and Mr. Gonzalez had to report early for his shift to replace the outgoing shift, and then would have to stay late until he was relieved by the shift that followed the one he worked. Thus, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. As a result of Defendants timekeeping policies and practices, Defendants failed to pay Mr. Gonzalez all required minimum wages. Further, because Mr. Gonzalez would often work more than eight (8) hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and practices also deprived Mr. Gonzalez of overtime wages owed to him.

Mr. Gonzalez was also not authorized and permitted to take all legally required paid rest periods due to Defendants' unlawful rest period policies and practices. Specifically, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. Accordingly, Defendants' rest period policies and practices fail to authorize and permit duty-free rest periods for every four hours worked, *or major fraction thereof*.

On those occasions when Mr. Gonzalez was not authorized and permitted to take all legally-compliant rest periods to which he was entitled, Defendants failed to compensate Mr. Gonzalez with the required rest period premium for each workday in which he experienced a rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at least a portion of the class period, Defendants maintained no payroll code or other mechanism for paying rest period premiums when Defendants failed to provide a legally compliant rest period.

As a result of Defendants' failure to pay all minimum and overtime wages, as well all rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Gonzalez and other non-exempt employees. Further, Defendants failed to comply with Labor Code section 226 by furnishing wage statements that failed to include the address of the legal entity that is the employer and also failed to include any of deductions or net pay received.

As a further result of Defendants' failure to pay all minimum and overtime wages, and failure to pay all rest period premium wages, Defendants failed to pay all wages owed to Mr. Gonzalez upon his separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Minimum Wage Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; Wage Order 1, § 4. Mr. Gonzalez and other aggrieved employees were not paid for all hours worked due to Defendants' timekeeping and compensation practices. As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least minimum wages for all such hours, due to Defendants' policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required minimum wages.

Overtime Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked.” As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least overtime wages for all such hours, due to Defendants’ policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required overtime wages.

Rest Period Violations

Defendants also failed to authorize and permit Mr. Gonzalez and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As alleged above, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. As such, Mr. Gonzalez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Gonzalez and other aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and rest period premiums in violation of Labor Code § 226 *et seq.* Defendants’ failure to furnish Mr. Gonzalez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum wages owed, overtime wages earned, rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Gonzalez and other aggrieved

employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to Mr. Gonzalez and other aggrieved employees was willful and, consequently, entitles Mr. Gonzalez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Gonzalez's own investigation, and on information and belief, Defendants committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Gonzalez and other aggrieved employees the statutory minimum wage for all hours worked;
- b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Gonzalez and other aggrieved employees all overtime compensation earned;
- c) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Gonzalez and other aggrieved employees;
- d) Defendants violated Labor Code § 226 by failing to furnish Mr. Gonzalez and other aggrieved employees with accurate and compliant itemized wage statements;
- e) Defendants violated Labor Code § 204 by failing to pay Mr. Gonzalez and other aggrieved employees all earned wages at least twice during each calendar month;
- f) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Gonzalez and other aggrieved employees; and
- g) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT B

EXHIBIT B

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

February 3, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency

Attn: PAGA Administrator

1515 Clay Street, Suite 801

Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN

RECEIPT REQUESTED

Robert A. Hufnagel

rhufnagel@rlattorneys.com

RESNICK & LOUIS, P.C.

3350 Shelby Street, Suite 2000

Ontario, CA 91764

Attorneys for Defendant Norco Plastics, Inc.

Re: *Vicente Gonzalez v. Norco Plastics, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc., a California corporation (“Defendant”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all current and former hourly-paid employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the present date.

By this letter, Mr. Gonzalez hereby supplements his correspondence to the LWDA dated September 28, 2020 (the “LWDA letter”). Attached hereto as **Exhibit A** is a true and correct copy of the LWDA letter and is incorporated herein by reference. In addition to the Labor Code violations identified in the LWDA letter, Mr. Gonzalez alleges Defendant is also liable for the following:

Meal Period Violations

Defendant failed to provide Mr. Gonzalez and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. Throughout his employment, Mr. Gonzalez was not provided all required meal periods due to Defendant’s meal period policies and practices which fail to provide uninterrupted, duty-free 30-minute meal periods when employees work in excess of 5.0 hours in a day. Specifically, as a result of the work demands imposed by Defendant and the need to wait in line to clock in and out, Mr. Gonzalez was often provided with a meal period less than thirty minutes in violation of California law. As a result, Mr. Gonzalez and other

aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”). Although Mr. Gonzalez was not provided with all legally-compliant meal periods to which he was entitled, Defendant failed to compensate Mr. Gonzalez and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

As an “aggrieved employee,” Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein and, in his LWDA letter. Based on Mr. Gonzalez’s own investigation, and on information and belief, Defendant committed the following Labor Code violation, in addition to the violations set forth in Mr. Gonzalez’s LWDA letter:

- a) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT A

EXHIBIT A

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

September 28, 2020

VIA LWDA WEBSITE

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

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Moonstone PEO, Inc.
760 N. Euclid St., Ste. 212
Anaheim, CA 92801

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Norco Plastics, Inc.
c/o John Williams, Agent for Service of
Process
14325 Monte Vista Avenue
Chino, CA 91710

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RECEIPT REQUESTED**

Beyond Staffing Solutions, Inc.
c/o John Harvey, Agent for Service of Process
4957 N. Grand Ave.
Covina, CA 91724

Re: *Vicente Gonzalez v. Norco Plastics, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc.; Beyond Staffing Solutions, Inc.; and Moonstone PEO, Inc. (“Defendants”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all former and current employees of Defendants (including any and all individuals who worked for and/or provided services for Defendants through a staffing agency) who were classified as non-exempt and have worked for Defendants during the one year preceding the date of this letter through the present date.

Mr. Gonzalez, a former employee, was employed by Defendants as an hourly, non-exempt employee from approximately March 2019 until approximately January 2020, at which time he was terminated. During most of his employment with Defendants, Mr. Gonzalez was staffed by Defendants Beyond Staffing Solutions, Inc. and Moonstone PEO, Inc. to work at Defendant Norco Plastics, Inc.’s facility located in Chino, California as an assembler.

Throughout Mr. Gonzalez’s employment with Defendants, Mr. Gonzalez was generally scheduled to work Monday through Friday from approximately 3:00 p.m. to approximately 11:00 p.m. Throughout Mr. Gonzalez’s employment with Defendants, Defendants utilized policies and procedures that required Mr. Gonzalez to clock in and out by scanning a tag with a barcode on it. Furthermore, Defendants’ timekeeping policies and practices required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his

scheduled shift. This was because Defendants operated in 3 shifts at Norco Plastics, and Mr. Gonzalez had to report early for his shift to replace the outgoing shift, and then would have to stay late until he was relieved by the shift that followed the one he worked. Thus, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. As a result of Defendants timekeeping policies and practices, Defendants failed to pay Mr. Gonzalez all required minimum wages. Further, because Mr. Gonzalez would often work more than eight (8) hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and practices also deprived Mr. Gonzalez of overtime wages owed to him.

Mr. Gonzalez was also not authorized and permitted to take all legally required paid rest periods due to Defendants' unlawful rest period policies and practices. Specifically, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. Accordingly, Defendants' rest period policies and practices fail to authorize and permit duty-free rest periods for every four hours worked, *or major fraction thereof*.

On those occasions when Mr. Gonzalez was not authorized and permitted to take all legally-compliant rest periods to which he was entitled, Defendants failed to compensate Mr. Gonzalez with the required rest period premium for each workday in which he experienced a rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at least a portion of the class period, Defendants maintained no payroll code or other mechanism for paying rest period premiums when Defendants failed to provide a legally compliant rest period.

As a result of Defendants' failure to pay all minimum and overtime wages, as well all rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Gonzalez and other non-exempt employees. Further, Defendants failed to comply with Labor Code section 226 by furnishing wage statements that failed to include the address of the legal entity that is the employer and also failed to include any of deductions or net pay received.

As a further result of Defendants' failure to pay all minimum and overtime wages, and failure to pay all rest period premium wages, Defendants failed to pay all wages owed to Mr. Gonzalez upon his separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Minimum Wage Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; Wage Order 1, § 4. Mr. Gonzalez and other aggrieved employees were not paid for all hours worked due to Defendants' timekeeping and compensation practices. As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least minimum wages for all such hours, due to Defendants' policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required minimum wages.

Overtime Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked.” As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least overtime wages for all such hours, due to Defendants’ policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required overtime wages.

Rest Period Violations

Defendants also failed to authorize and permit Mr. Gonzalez and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As alleged above, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. As such, Mr. Gonzalez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Gonzalez and other aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and rest period premiums in violation of Labor Code § 226 *et seq.* Defendants’ failure to furnish Mr. Gonzalez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum wages owed, overtime wages earned, rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Gonzalez and other aggrieved

employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to Mr. Gonzalez and other aggrieved employees was willful and, consequently, entitles Mr. Gonzalez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Gonzalez's own investigation, and on information and belief, Defendants committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Gonzalez and other aggrieved employees the statutory minimum wage for all hours worked;
- b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Gonzalez and other aggrieved employees all overtime compensation earned;
- c) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Gonzalez and other aggrieved employees;
- d) Defendants violated Labor Code § 226 by failing to furnish Mr. Gonzalez and other aggrieved employees with accurate and compliant itemized wage statements;
- e) Defendants violated Labor Code § 204 by failing to pay Mr. Gonzalez and other aggrieved employees all earned wages at least twice during each calendar month;
- f) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Gonzalez and other aggrieved employees; and
- g) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT C

EXHIBIT C

LIDMAN LAW, APC
Scott M. Lidman (SBN 199433)
slidman@lidmanlaw.com
Elizabeth Nguyen (SBN 238571)
enguyen@lidmanlaw.com
Milan Moore (SBN 308095)
mmoore@lidmanlaw.com
2155 Campus Drive, Suite 150
El Segundo, California 90245
Tel: (424) 322-4772
Fax: (424) 322-4775

Attorneys for Plaintiff
VICENTE GONZALEZ

HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff
VICENTE GONZALEZ

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

VICENTE GONZALEZ as an individual and
on behalf of all others similarly situated,

Plaintiff,

vs.

NORCO PASTICS, INC., a California
corporation; BEYOND STAFFING
SOLUTIONS, INC., a California corporation;
MOONSTONE PEO, INC., a Texas
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: CIVSB2026519

**SECOND AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT:**

- (1) **FAILURE TO PAY ALL MINIMUM
WAGES OWED (LABOR CODE §§
1194, 1194.2, 1197);**
- (2) **FAILURE TO PAY ALL
OVERTIME WAGES OWED
(LABOR CODE §§ 204, 510, 558,
1194, 1198);**
- (3) **FAILURE TO AUTHORIZE AND
PERMIT REST PERIODS (LABOR
CODE §§ 226.7, 516, 558);**
- (4) **FAILURE TO PROVIDE MEAL
PERIODS (LABOR CODE §§ 226.7,
512, 558)**
- (5) **FAILURE TO PROVIDE
ACCURATE, ITEMIZED WAGE
STATEMENTS (LABOR CODE §
226 *et seq.*);**

1 (6) FAILURE TO TIMELY PAY ALL
2 WAGES UPON TERMINATION
(LABOR CODE §§ 201-203);

3 (7) UNFAIR COMPETITION (BUS &
4 PROF CODE § 17200 *et seq.*); and

5 (8) CIVIL PENALTIES UNDER THE
6 LABOR CODE PRIVATE
7 ATTORNEYS GENERAL ACTION
8 OF 2004 (LABOR CODE § 2698 *et*
9 *seq.*)

10 DEMAND FOR JURY TRIAL
11 UNLIMITED CIVIL CASE
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13
14
15
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17
18
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22
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27
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1 Plaintiff Vicente Gonzalez (“Plaintiff”), on behalf of himself and all others similarly
2 situated, hereby brings this Second Amended Class and Representative Action Complaint
3 (“SAC”) against Norco Plastics, Inc., a California corporation; Beyond Staffing Solutions, Inc., a
4 California Corporation; Moonstone PEO, Inc., a Texas Corporation; and DOES 1 to 100,
5 inclusive (collectively “Defendants”), and on information and belief alleges as follows:

6 **JURISDICTION**

7 1. Plaintiff, on behalf of himself and all others similarly situated, hereby brings this
8 FAC for recovery of unpaid wages and penalties under California Business and Professions Code
9 § 17200 *et. seq.*, Labor Code §§ 201-203, 204, 226 *et seq.*, 226.7, 510, 512, 516, 558, 1194,
10 1194.2, 1197, 1198, 2698 *et seq.*, and Industrial Welfare Commission Wage Order 1 (“Wage
11 Order 1”), in addition to seeking declaratory relief and restitution. This SAC is brought pursuant
12 to California Code of Civil Procedure § 382. This Court has jurisdiction over Defendants’
13 violations of the California Labor Code because the amount in controversy exceeds this Court's
14 jurisdictional minimum.

15 **VENUE**

16 2. Venue is proper in this judicial district pursuant to Cal. Code of Civ. Proc. §§
17 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in the
18 County of San Bernardino. Defendants own, maintain offices, transact business, have agent(s)
19 within the County of San Bernardino, and/or otherwise are found within the County of San
20 Bernardino, and Defendants are within the jurisdiction of this Court for purposes of service of
21 process.

22 **PARTIES**

23 3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein,
24 Plaintiff was and currently is, a California resident. During the four years immediately preceding
25 April 6, 2020¹ in this action and within the statute of limitations periods applicable to each cause
26

27 ¹ Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than
28 180 days are suspended from April 6, 2020 through October 1, 2020. Accordingly, the relevant
time period for each cause of action pled herein have been calculated based on a filing date of
April 6, 2020. *See*, Cal. Rules of Court, emergency rule 9.

of action pled herein, Plaintiff was employed by Defendants as a non-exempt employee. Plaintiff was, and is, a victim of Defendants' policies and/or practices complained of herein, lost money and/or property, and has been deprived of the rights guaranteed by Labor Code §§ 201-203, 204, 226 *et seq.*, 226.7, 510, 516, 558, 1194, 1194.2, 1197, 1198, 2698 *et seq.*, and California Business and Professions Code § 17200 *et seq.* ("Unfair Competition Law"); and Wage Order 1, which sets employment standards for the manufacturing industry, which includes the industry in which Plaintiff worked for Defendants.

4. Plaintiff is informed and believes, and based thereon alleges, that during the four years preceding April 6, 2020 and continuing to the present, Defendants did (and continue to do) business by being a manufacturer of plastic injection molding products. Defendants employed Plaintiff and other, similarly-situated non-exempt employees within, among other counties, San Bernardino County and the state of California and, therefore, were (and are) doing business in San Bernardino County and the State of California.

5. Plaintiff does not know the true names or capacities, whether individual, partner, or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to amend this SAC when such true names and capacities are discovered. Plaintiff is informed, and believes, and based thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff and the Classes (as defined in Paragraph 17) to be subject to the unlawful employment practices, wrongs, injuries and damages complained of herein.

6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned herein, Defendants were and are the employers of Plaintiff and all members of the Classes.

7. At all times herein mentioned, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each

1 of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or
2 omissions complained of herein.

3 8. At all times mentioned herein, Defendants, and each of them, were members of
4 and engaged in a joint venture, partnership, and common enterprise, and acting within the course
5 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,
6 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all
7 members of the Classes.

8 **GENERAL FACTUAL ALLEGATIONS**

9 9. Plaintiff, a former employee, was employed by Defendants as an hourly, non-
10 exempt employee from approximately March 2019 until approximately January 2020, at which
11 time he was terminated. During most of his employment with Defendants, Plaintiff was staffed
12 by Defendants Beyond Staffing Solutions, Inc. and Moonstone PEO, Inc. to work at Defendant
13 Norco Plastics, Inc.'s facility located in Chino, California as an assembler.

14 10. Throughout Plaintiff's employment with Defendants, Plaintiff was generally
15 scheduled to work Monday through Friday from approximately 3:00 p.m. to approximately 11:00
16 p.m. Throughout Plaintiff's employment with Defendants, Defendants utilized policies and
17 procedures that required Plaintiff to clock in and out by scanning a tag with a barcode on it.
18 Furthermore, Defendants' timekeeping policies and practices required Plaintiff to report to work
19 approximately five (5) minutes prior to the start of his scheduled shift and to continue working
20 after the end of his scheduled shift. This was because Defendants operated in 3 shifts at Norco
21 Plastics, and Plaintiff had to report early for his shift to replace the outgoing shift, and then would
22 have to stay late until he was relieved by the shift that followed the one he worked. Thus, Plaintiff
23 was often required to perform duties off-the-clock both before and after his shift for which he was
24 not paid. As a result of Defendants timekeeping policies and practices, Defendants failed to pay
25 Plaintiff all required minimum wages. Further, because Plaintiff would often work more than
26 eight (8) hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and
27 practices also deprived Plaintiff of overtime wages owed to him.

28 11. Plaintiff was also not authorized and permitted to take all legally required paid rest

1 periods due to Defendants' unlawful rest period policies and practices. Specifically, Defendants
2 maintain unlawful rest period policies and practices that require employees to remain on premises
3 for rest periods. Accordingly, Defendants' rest period policies and practices fail to authorize and
4 permit duty-free rest periods for every four hours worked, *or major fraction thereof*.

5 12. On those occasions when Plaintiff was not authorized and permitted to take all
6 legally-compliant rest periods to which he was entitled, Defendants failed to compensate Plaintiff
7 with the required rest period premium for each workday in which he experienced a rest period
8 violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at
9 least a portion of the class period, Defendants maintained no payroll code or other mechanism for
10 paying rest period premiums when Defendants failed to provide a legally compliant rest period.

11 13. Throughout his employment with Defendants, Plaintiff was not provided all
12 required meal periods due to Defendants' meal period policies and practices which fail to provide
13 uninterrupted, duty-free 30-minute meal periods when employees work in excess of 5.0 hours in
14 a day. Specifically, as a result of the work demands imposed by Defendants and the need to wait
15 in line to clock in and out, Plaintiff was often provided with a meal period less than thirty minutes
16 in violation of California law.

17 14. On those occasions when Plaintiff was not provided all legally-compliant meal
18 periods to which he was entitled, Defendants failed to compensate Plaintiff with the required meal
19 period premium for each workday in which he experienced a meal period violation as mandated
20 by Labor Code § 226.7.

21 15. As a result of Defendants' failure to pay all minimum and overtime wages, as well
22 all meal and rest period premium wages, Defendants maintained inaccurate payroll records and
23 issued inaccurate wage statements to Plaintiff and other non-exempt employees. Further,
24 Defendants failed to comply with Labor Code section 226 by furnishing wage statements that
25 failed to include the address of the legal entity that is the employer and also failed to include any
26 of deductions or net pay received.

27 16. As a further result of Defendants' failure to pay all minimum and overtime wages,
28 and failure to pay all meal and rest period premium wages, Defendants failed to pay all wages

owed to Plaintiff upon his separation of employment with Defendants.

CLASS ACTION ALLEGATIONS

17. **Class Definitions:** Plaintiff brings this action on behalf of himself and the following Classes pursuant to § 382 of the Code of Civil Procedure:

- a. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through the named staffing agencies or any other staffing agency) who were subject to Defendants' timekeeping policies/practices, during the four years preceding April 6, 2020 through the present.
- b. The Overtime Class consists of all of Defendants' current and former non-exempt employees in California (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through the named staffing agencies or any other staffing agency) who worked more than eight hours per day and/or forty hours per week, and were subject to Defendants' timekeeping policies and practices, during the four years immediately preceding April 6, 2020 through the present.
- c. The Rest Period Class consists of all of Defendants' current and former non-exempt employees in California (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through the named staffing agencies or any other staffing agency) who worked at least one shift of 3.5 hours or more, during the four years immediately preceding April 6, 2020 through the present.
- d. The Meal Period Class consists of all of Defendants' current and former non-exempt employees who: (i) worked at least one shift in excess of 5.0 hours, during the four years immediately preceding the filing of the lawsuit through the present.

e. The Wage Statement Class consists of all members of the: (i) Minimum Wage Class; (ii) Overtime Class; (iii) Rest Period Class and/or (iv) Meal Period Class during the one year immediately preceding April 6, 2020 through the present.

f. The Waiting Time Penalty Class consists of Defendants' formerly employed members of the: (i) Minimum Wage Class; (ii) Overtime Class; Rest Period Class, Meal Period Class in California, during the three years immediately preceding April 6, 2020 through the present.

g. The UCL Class consists of members of the: (i) Minimum Wage Class; (ii) Overtime Class; (iii) Rest Period Class; (iv) Meal Period Class; (v) Wage Statement Class; and/or (vi) Waiting Time Penalty Class, during the four years immediately preceding April 6, 2020 through the present.

18. Plaintiff reserves the right under Rule 3.765(b) of the California Rules of Court, to amend or modify the description of the various classes with greater specificity or further division into subclasses or limitation to particular issues.

19. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than one hundred (100) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

20. **Common Questions of Law and Fact Predominate/Well Defined Community of Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated employees, which predominate over questions affecting only individual members. Those common questions include, without limitation:

i. Whether Defendants' properly paid all minimum wages and/or overtime wages at the correct regular rate of pay and/or paid for all hours worked pursuant to Labor Code §§ 204, 510, 558, 1194, 1194.2, 1197, and 1198;

ii. Whether Defendants authorized and permitted all legally compliant rest periods to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;

- 1 iii. Whether Defendants provided all legally compliant meal periods to members of
2 the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;
- 3 iv. Whether Defendants furnished legally compliant wage statements to members of
4 the Wage Statement Class pursuant to Labor Code § 226;
- 5 v. Whether Defendants’ policies and/or practices for the timing and amount of
6 payment of final wages to members of the Waiting Time Class at the time of
7 separation from employment were unlawful; and
- 8 vi. Whether Defendants engaged in unlawful, unfair, illegal, and/or deceptive
9 business practices by and through the wage and hour policies and practices
10 described above, and whether as a result Defendants owe the classes restitution.

11 21. **Predominance of Common Questions:** Common questions of law and fact
12 predominate over questions that affect only individual members of the Classes. The common
13 questions of law set forth above are numerous and substantial and stem from Defendants’ policies
14 and/or practices applicable to each individual class member, such as Defendants’ uniform
15 timekeeping, minimum wage payment, overtime wage payment, and meal and rest period
16 policies/practices. As such, the common questions predominate over individual questions
17 concerning each individual class member’s showing as to their eligibility for recovery or as to the
18 amount of their damages.

19 22. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because
20 Plaintiff was employed by Defendants as a non-exempt employee in California during the
21 statute(s) of limitations period applicable to each cause of action pled in the FAC. As alleged
22 herein, Plaintiff, like the members of the Classes, was not provided all legally required minimum
23 and overtime wages, was not authorized and permitted to take all required rest periods, did not
24 receive all rest period premium wages when he was not provided compliant rest periods, was not
25 provided all meal periods, did not receive all meal period premium wages when he was not
26 provided compliant meal periods, was not paid all wages upon separation of his employment with
27 Defendants, and was not provided with accurate, itemized wage statements.

28 23. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps

1 to represent fairly and adequately the interests of the members of the Classes. Moreover,
2 Plaintiff's attorneys are ready, willing and able to fully and adequately represent the members of
3 the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-
4 and-hour class actions in state and federal courts in the past and are committed to vigorously
5 prosecuting this action on behalf of the members of the Classes.

6 24. **Superiority:** The California Labor Code is broadly remedial in nature and serves
7 an important public interest in establishing minimum working conditions and standards in
8 California. These laws and labor standards protect the average working employee from
9 exploitation by employers who have the responsibility to follow the laws and who may seek to
10 take advantage of superior economic and bargaining power in setting onerous terms and
11 conditions of employment. The nature of this action and the format of laws available to Plaintiff
12 and members of the Classes make the class action format a particularly efficient and appropriate
13 procedure to redress the violations alleged herein. If each employee were required to file an
14 individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they
15 would be able to exploit and overwhelm the limited resources of each individual plaintiff with
16 their vastly superior financial and legal resources. Moreover, requiring each member of the
17 Classes to pursue an individual remedy would also discourage the assertion of lawful claims by
18 employees who would be disinclined to file an action against their former and/or current employer
19 for real and justifiable fear of retaliation and permanent damages to their careers at subsequent
20 employment. Further, the prosecution of separate actions by the individual class members, even
21 if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications
22 with respect to the individual class members against Defendants herein; and which would
23 establish potentially incompatible standards of conduct for Defendants; and/or legal
24 determinations with respect to individual class members which would, as a practical matter, be
25 dispositive of the interest of the other class members not parties to adjudications or which would
26 substantially impair or impede the ability of the class members to protect their interests. Further,
27 the claims of the individual members of the Classes are not sufficiently large to warrant vigorous
28 individual prosecution considering all of the concomitant costs and expenses attending thereto.

As such, the Classes identified in Paragraph 17 are maintainable as a Class under § 382 of the Code of Civil Procedure.

FIRST CAUSE OF ACTION

FAILURE TO PROVIDE MINIMUM WAGES OWED

(AGAINST ALL DEFENDANTS)

25. Plaintiff re-alleges and incorporates by reference all previous paragraphs as though fully set forth herein.

26. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194 and 1198 which provide that all non-exempt employees are entitled to all minimum wages for all hours worked, and provide a private right of action for the failure to pay all minimum wage compensation for all work performed.

27. At all times relevant herein, Defendants were required to properly compensate Plaintiff and the members of the Minimum Wage Class for all hours worked pursuant to California Labor Code §§ 1194, 1197 and 1198, and Wage Order 1. Wage Order 1, Section 4 requires an employer to pay to every employee on the established payday for the period involved not less than the applicable minimum wage for all hours worked in the payroll period. Defendants caused Plaintiff and the members of the Minimum Wage Class to work hours in a workweek but did not properly compensate Plaintiff and the members of the Minimum Wage Class at least minimum wages for such hours.

28. At all relevant times herein, Defendants lacked good faith and had no reasonable grounds for believing that their practices in failing to pay all minimum wages owed at the applicable rate was not a violation of any provision of the Labor Code relating to minimum wage, or an order of the Industrial Welfare Commission. Defendants therefore, in addition to owing minimum wages to Plaintiff and the members of the Minimum Wage Class, also owe liquidated damages in an amount equal to the wages unlawfully unpaid, and interest thereon, pursuant to Labor Code § 1194.2.

29. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff and the members of the Minimum Wage Class in a civil action for the unpaid

1 amount of minimum wages owing, including interest thereon, as well as statutory penalties,
2 liquidated damages, civil penalties, and attorneys' fees and costs of suit, pursuant to Labor Code
3 §§ 204, 218.5, 218.6, 558, 1194, 1194.2, 1197, 1197.1 and 1198, Wage Order 1, California Code
4 of Civil Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

5 **SECOND CAUSE OF ACTION**

6 **FAILURE TO PAY ALL OVERTIME WAGES OWED**

7 **(AGAINST ALL DEFENDANTS)**

8 30. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

9 31. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194 and
10 1198 which provide that all non-exempt employees are entitled to all overtime wages for all
11 overtime worked (hours in excess of 8 in one day and/or 40 in one week), and provide a private
12 right of action for the failure to pay all overtime compensation for overtime work performed.

13 32. At all times relevant herein Defendants were required to properly compensate
14 Plaintiff and the members of the Overtime Class for all overtime hours worked pursuant to
15 California Labor Code §§ 510 and 1194, and Wage Order 1. Labor Code § 510 and Wage Order
16 1, Section 3 require an employer to pay an employee "one and one-half (1½) times the regular
17 rate of pay" for work in excess of 8 hours per workday and/or in excess of 40 hours per workweek.
18 Labor Code § 510 and Wage Order 1, Section 3 also require an employer to pay an employee
19 double the employee's regular rate for work in excess of 12 hours each workday and/or in excess
20 of 8 hours on the seventh consecutive day of work in the workweek. Defendants caused Plaintiff
21 and the members of the Overtime Class to work in excess of 8 hours in a workday and/or 40 hours
22 in a workweek but did not properly compensate Plaintiff and the members of the Overtime Class
23 at one and one-half their regular rate of pay for such hours.

24 33. The foregoing practices and policies are unlawful and create entitlement to
25 recovery by Plaintiff and the members of the Overtime Class in a civil action for the unpaid
26 amount of overtime premium owing, including interest thereon, as well as statutory penalties,
27 civil penalties, and attorneys' fees and costs of suit, pursuant to Labor Code §§ 204, 218.5, 218.6,
28 510, 558, 1194 and 1198, Wage Order 1, California Code of Civil Procedure § 1021.5, and Civil

Code §§ 3287(b) and 3289.

THIRD CAUSE OF ACTION

FAILURE TO AUTHORIZE AND PERMIT REST PERIODS

(AGAINST ALL DEFENDANTS)

34. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

35. Wage Order 1, § 12 and California Labor Code §§ 226.7, 516 and 558 establish the right of employees to be authorized and permitted to take a paid rest period of at least ten (10) minutes net rest time for each four (4) hour period worked, or *major fraction thereof*.

36. As alleged herein, Defendants failed to authorize and permit Plaintiff and members of the Rest Period Class to take all required rest periods.

37. The foregoing violations create an entitlement to recovery by Plaintiff and members of the Rest Period Class in a civil action for the unpaid amount of rest period premiums owing, including interest thereon, statutory penalties, civil penalties, and costs of suit according to California Labor Code §§ 226.7, 516, 558, and Civil Code §§ 3287(b) and 3289.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE MEAL PERIODS

(AGAINST ALL DEFENDANTS)

38. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

39. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed in their affirmative obligation to provide all of their non-exempt employees in California, including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods in accordance with the mandates of the California Labor Code and the Wage Order 9, § 11. Despite Defendants' violations, Defendants did not pay an additional hour of pay to Plaintiff and members of the Meal Period Class at their respective regular rates of pay, in accordance with California Labor Code §§ 204, 210, 226.7, and 512.

40. As a result, Defendants are responsible for paying premium compensation for meal period violations pursuant to Labor Code §§ 226.7, 512, and 558, and the Wage Order 9, including interest thereon, statutory penalties, civil penalties, and costs of suit.

1 **FIFTH CAUSE OF ACTION**

2 **FAILURE TO PROVIDE ACCURATE, ITEMIZED WAGE STATEMENTS**

3 **(AGAINST ALL DEFENDANTS)**

4 41. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

5 42. Plaintiff is informed and believes, and based thereon alleges, that Defendants
6 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
7 and members of the Wage Statement Class with complete and accurate wage statements with
8 respect to their actual regular and overtime hours worked, total gross wages earned, total
9 deductions, employer address, and total net wages earned, all in violation of Labor Code § 226 *et*
10 *seq.*

11 43. Defendants' failures in furnishing Plaintiff and members of the Wage Statement
12 Class with complete and accurate itemized wage statements resulted in actual injury, as said
13 failures led to, among other things, unpaid wages and unpaid rest period premium wages, and
14 deprived them of the information necessary to identify the discrepancies in Defendants' reported
15 data.

16 44. Defendants' failures create an entitlement to recovery by Plaintiff and members of
17 the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor
18 Code § 226 *et seq.*, including statutory penalties, civil penalties, reasonable attorneys' fees, and
19 costs of suit according to California Labor Code § 226 *et seq.*

20 **SIXTH CAUSE OF ACTION**

21 **FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION**

22 **(AGAINST ALL DEFENDANTS)**

23 45. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

24 46. This cause of action is brought pursuant to Labor Code §§ 201-203, which require
25 an employer to pay all wages immediately at the time of separation of employment in the event
26 the employer discharges the employee or the employee provides at least 72 hours of notice of
27 their intent to quit. In the event the employee provides less than 72 hours of notice of their intent
28 to quit, said employee's wages become due and payable not later than 72 hours upon said

employee's last date of employment.

47. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed to timely pay Plaintiff and members of the Waiting Time Penalty Class all final wages due to them at their separation from employment, including, rest period premium wages.

48. Further, Plaintiff is informed and believes, and based thereon alleges, that as a matter of uniform policy and practice, Defendants continue to fail to pay Plaintiff and members of the Waiting Time Penalty Class all earned wages at the end of employment in a timely manner pursuant to the requirements of Labor Code §§ 201-203.

49. Defendants' failure to pay all final wages was willful within the meaning of Labor Code § 203. Defendants' willful failure to timely pay Plaintiff and the members of the Waiting Time Penalty Class their earned wages upon separation from employment results in a continued payment of wages up to thirty days from the time the wages were due.

50. Therefore, Plaintiff and members of the Waiting Time Penalty Class are entitled to compensation pursuant to Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

SEVENTH CAUSE OF ACTION

UNFAIR COMPETITION

(AGAINST ALL DEFENDANTS)

51. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

52. Defendants have engaged and continue to engage in unfair and/or unlawful business practices in California in violation of California Business and Professions Code § 17200 *et seq.*, by failing to authorize and permit all required rest periods, or pay premium payments in lieu thereof.

53. Defendants' utilization of these unfair and/or unlawful business practices deprived Plaintiff and continues to deprive members of the Classes of compensation to which they are legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage over Defendants' competitors who have been and/or are currently employing workers and attempting to do so in honest compliance with applicable wage and hour laws.

54. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged

herein, Plaintiff for himself and on behalf of the members of the Classes, seeks full restitution of monies, as necessary and according to proof, to restore any and all monies withheld, acquired and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

55. The acts complained of herein occurred within the last four years immediately preceding April 6, 2020 in this action.

56. Plaintiff was compelled to retain the services of counsel to file this court action to protect his interests and those of the Classes, to obtain restitution and injunctive relief on behalf of Defendants' current non-exempt employees, and to enforce important rights affecting the public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs, which he is entitled to recover under Code of Civil Procedure § 1021.5.

EIGHTH CAUSE OF ACTION

LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004

(AGAINST ALL DEFENDANTS)

57. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

58. Defendants have committed several Labor Code violations against Plaintiff and other aggrieved employees. Plaintiff, an "aggrieved employee" within the meaning of Labor Code § 2698 *et seq.*, acting on behalf of himself and other aggrieved employees, brings this representative action against Defendants to recover the civil penalties due to Plaintiff, the other aggrieved employees, and the State of California according to proof pursuant to Labor Code § 558 and § 2699 (a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; (3) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; and/or (4) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the following Labor Code violations:

- 1 a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay
2 Plaintiff and other aggrieved employees the statutory minimum wage for all
3 hours worked;
- 4 b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to
5 pay Plaintiff and other aggrieved employees all overtime compensation earned;
- 6 c) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all
7 legally required rest periods and failing to pay rest period premiums to Plaintiff
8 and other aggrieved employees;
- 9 d) Defendants violated Labor Code § 226 by failing to furnish Plaintiff and other
10 aggrieved employees with accurate and compliant itemized wage statements;
- 11 e) Defendants violated Labor Code § 204 by failing to pay Plaintiff and other
12 aggrieved employees all earned wages at least twice during each calendar month;
- 13 f) Defendants violated Labor Code § 1174 by failing to maintain accurate records
14 on behalf of Plaintiff and other aggrieved employees;
- 15 g) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay
16 all final wages due to Plaintiff and other aggrieved employees; and
- 17 h) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all
18 legally required meal periods and failing to pay meal period premiums to
19 Plaintiff and other aggrieved employees.

20 59. On September 28, 2020, Plaintiff notified Defendants via certified mail, and the
21 California Labor and Workforce Development Agency (“LWDA”) via e-mail, of Defendants’
22 violations of the California Labor Code and Plaintiff’s intent to bring a claim for civil penalties
23 under California Labor Code § 2698 et seq. with respect to violations of the California Labor Code
24 identified in Paragraph 58 (a)-(g). Attached hereto as **Exhibit 1** is a true and correct copy of the
25 September 28, 2020 correspondence. After exhausting his administrative requirements for
26 bringing a claim under the Labor Code Private Attorneys General Act (“PAGA”) with respect to
27 the violations identified in Paragraph 58 (a)-(g), Plaintiff filed a First Amended Class and
28 Representative Action Complaint in this matter to add a cause of action for Civil Penalties under

1 the PAGA. On February 3, 2022, Plaintiff notified Defendants via certified mail, and the LWDA
2 via e-mail, of Defendants' violations of the California Labor Code and Plaintiff's intent to bring a
3 claim for civil penalties under California Labor Code § 2698 *et seq.* with respect to additional
4 violations of the California Labor Code identified in Paragraph 58 (h). Attached hereto as **Exhibit**
5 **2** is a true and correct copy of the February 3, 2022 supplemental correspondence. Now that sixty-
6 five days have passed from Plaintiff notifying Defendants of this additional violation, Plaintiff has
7 exhausted his administrative requirements for bringing a claim under the Labor Code Private
8 Attorneys General Act with respect to these violations.

9 60. Plaintiff was compelled to retain the services of counsel to file this court action to
10 protect his interests and the interests of other aggrieved employees, and to assess and collect the
11 civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which
12 he is entitled to receive under California Labor Code § 2699.

13 **PRAYER**

14 WHEREFORE, Plaintiff prays for judgment for himself and for all others on whose behalf
15 this suit is brought against Defendants, as follows:

- 16 1. For an order certifying the proposed Classes;
- 17 2. For an order appointing Plaintiff as representative of the Classes;
- 18 3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
- 19 4. Upon the First Cause of Action, for compensatory, consequential, general and
20 special damages according to proof pursuant to Labor Code §§ 204, 558, 1194, 1194.2, 1197,
21 1197.1 and 1198;
- 22 5. Upon the Second Cause of Action, for compensatory, consequential, general and
23 special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;
- 24 6. Upon the Third Cause of Action, for compensatory, consequential, general and
25 special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;
- 26 7. Upon the Fourth Cause of Action, for compensatory, consequential, general and
27 special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;
- 28 8. Upon the Fifth Cause of Action, for statutory wage statement penalties pursuant

1 to Labor Code § 226 *et seq.*;

2 9. Upon the Sixth Cause of Action, for statutory waiting time penalties pursuant to
3 Labor Code § 203;

4 10. Upon the Seventh Cause of Action, for restitution to Plaintiff and members of the
5 Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or
6 practices declared by this Court to be in violation of Business and Professions Code § 17200 *et*
7 *seq.*;

8 11. Upon the Eighth Cause of Action, for civil penalties due to Plaintiff, other
9 aggrieved employees, and the State of California according to proof pursuant to Labor Code §§
10 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for
11 each failure to pay each employee and \$200.00 for each subsequent violation or willful or
12 intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus
13 25% of the amount unlawfully withheld; (2) \$250.00 for each initial violation and \$1,000.00 for
14 each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; (3)
15 \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor
16 Code § 558 per employee per pay period; and/or (4) \$100.00 for each initial violation and \$200.00
17 for each subsequent violation per employee per pay period for those violations of the Labor Code
18 for which no civil penalty is specifically provided, based on the Labor Code violations cited in
19 Paragraph 58 (a)-(h) above;

20 12. Prejudgment interest on all due and unpaid wages pursuant to California Labor
21 Code § 218.6 and Civil Code §§ 3287 and 3289;

22 13. On all causes of action, for attorneys' fees and costs as provided by Labor Code §
23 218.5 and Code of Civil Procedure § 1021.5 and all other applicable statutes; and

24 //

25 //

26 //

27 //

28 //

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

Dated: March __, 2022

Respectfully submitted,
LIDMAN LAW, APC

By:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Attorneys for Plaintiff
VICENTE GONZALEZ

DEMAND FOR JURY TRIAL

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

Dated: March __, 2022

Respectfully submitted,
LIDMAN LAW, APC

By:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Attorneys for Plaintiff
VICENTE GONZALEZ

EXHIBIT 1

EXHIBIT 1

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

September 28, 2020

VIA LWDA WEBSITE

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

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Moonstone PEO, Inc.
760 N. Euclid St., Ste. 212
Anaheim, CA 92801

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Norco Plastics, Inc.
c/o John Williams, Agent for Service of
Process
14325 Monte Vista Avenue
Chino, CA 91710

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Beyond Staffing Solutions, Inc.
c/o John Harvey, Agent for Service of Process
4957 N. Grand Ave.
Covina, CA 91724

Re: *Vicente Gonzalez v. Norco Plastics, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc.; Beyond Staffing Solutions, Inc.; and Moonstone PEO, Inc. (“Defendants”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all former and current employees of Defendants (including any and all individuals who worked for and/or provided services for Defendants through a staffing agency) who were classified as non-exempt and have worked for Defendants during the one year preceding the date of this letter through the present date.

Mr. Gonzalez, a former employee, was employed by Defendants as an hourly, non-exempt employee from approximately March 2019 until approximately January 2020, at which time he was terminated. During most of his employment with Defendants, Mr. Gonzalez was staffed by Defendants Beyond Staffing Solutions, Inc. and Moonstone PEO, Inc. to work at Defendant Norco Plastics, Inc.’s facility located in Chino, California as an assembler.

Throughout Mr. Gonzalez’s employment with Defendants, Mr. Gonzalez was generally scheduled to work Monday through Friday from approximately 3:00 p.m. to approximately 11:00 p.m. Throughout Mr. Gonzalez’s employment with Defendants, Defendants utilized policies and procedures that required Mr. Gonzalez to clock in and out by scanning a tag with a barcode on it. Furthermore, Defendants’ timekeeping policies and practices required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his

scheduled shift. This was because Defendants operated in 3 shifts at Norco Plastics, and Mr. Gonzalez had to report early for his shift to replace the outgoing shift, and then would have to stay late until he was relieved by the shift that followed the one he worked. Thus, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. As a result of Defendants timekeeping policies and practices, Defendants failed to pay Mr. Gonzalez all required minimum wages. Further, because Mr. Gonzalez would often work more than eight (8) hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and practices also deprived Mr. Gonzalez of overtime wages owed to him.

Mr. Gonzalez was also not authorized and permitted to take all legally required paid rest periods due to Defendants' unlawful rest period policies and practices. Specifically, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. Accordingly, Defendants' rest period policies and practices fail to authorize and permit duty-free rest periods for every four hours worked, *or major fraction thereof*.

On those occasions when Mr. Gonzalez was not authorized and permitted to take all legally-compliant rest periods to which he was entitled, Defendants failed to compensate Mr. Gonzalez with the required rest period premium for each workday in which he experienced a rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at least a portion of the class period, Defendants maintained no payroll code or other mechanism for paying rest period premiums when Defendants failed to provide a legally compliant rest period.

As a result of Defendants' failure to pay all minimum and overtime wages, as well all rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Gonzalez and other non-exempt employees. Further, Defendants failed to comply with Labor Code section 226 by furnishing wage statements that failed to include the address of the legal entity that is the employer and also failed to include any of deductions or net pay received.

As a further result of Defendants' failure to pay all minimum and overtime wages, and failure to pay all rest period premium wages, Defendants failed to pay all wages owed to Mr. Gonzalez upon his separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Minimum Wage Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; Wage Order 1, § 4. Mr. Gonzalez and other aggrieved employees were not paid for all hours worked due to Defendants' timekeeping and compensation practices. As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least minimum wages for all such hours, due to Defendants' policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required minimum wages.

Overtime Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked.” As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least overtime wages for all such hours, due to Defendants’ policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required overtime wages.

Rest Period Violations

Defendants also failed to authorize and permit Mr. Gonzalez and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As alleged above, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. As such, Mr. Gonzalez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Gonzalez and other aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and rest period premiums in violation of Labor Code § 226 *et seq.* Defendants’ failure to furnish Mr. Gonzalez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum wages owed, overtime wages earned, rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Gonzalez and other aggrieved

employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to Mr. Gonzalez and other aggrieved employees was willful and, consequently, entitles Mr. Gonzalez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Gonzalez's own investigation, and on information and belief, Defendants committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Gonzalez and other aggrieved employees the statutory minimum wage for all hours worked;
- b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Gonzalez and other aggrieved employees all overtime compensation earned;
- c) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Gonzalez and other aggrieved employees;
- d) Defendants violated Labor Code § 226 by failing to furnish Mr. Gonzalez and other aggrieved employees with accurate and compliant itemized wage statements;
- e) Defendants violated Labor Code § 204 by failing to pay Mr. Gonzalez and other aggrieved employees all earned wages at least twice during each calendar month;
- f) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Gonzalez and other aggrieved employees; and
- g) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT 2

EXHIBIT 2

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

February 3, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency

Attn: PAGA Administrator

1515 Clay Street, Suite 801

Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN

RECEIPT REQUESTED

Robert A. Hufnagel

rhufnagel@rlattorneys.com

RESNICK & LOUIS, P.C.

3350 Shelby Street, Suite 2000

Ontario, CA 91764

Attorneys for Defendant Norco Plastics, Inc.

Re: *Vicente Gonzalez v. Norco Plastics, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc., a California corporation (“Defendant”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all current and former hourly-paid employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the present date.

By this letter, Mr. Gonzalez hereby supplements his correspondence to the LWDA dated September 28, 2020 (the “LWDA letter”). Attached hereto as **Exhibit A** is a true and correct copy of the LWDA letter and is incorporated herein by reference. In addition to the Labor Code violations identified in the LWDA letter, Mr. Gonzalez alleges Defendant is also liable for the following:

Meal Period Violations

Defendant failed to provide Mr. Gonzalez and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. Throughout his employment, Mr. Gonzalez was not provided all required meal periods due to Defendant’s meal period policies and practices which fail to provide uninterrupted, duty-free 30-minute meal periods when employees work in excess of 5.0 hours in a day. Specifically, as a result of the work demands imposed by Defendant and the need to wait in line to clock in and out, Mr. Gonzalez was often provided with a meal period less than thirty minutes in violation of California law. As a result, Mr. Gonzalez and other

aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”). Although Mr. Gonzalez was not provided with all legally-compliant meal periods to which he was entitled, Defendant failed to compensate Mr. Gonzalez and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

As an “aggrieved employee,” Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein and, in his LWDA letter. Based on Mr. Gonzalez’s own investigation, and on information and belief, Defendant committed the following Labor Code violation, in addition to the violations set forth in Mr. Gonzalez’s LWDA letter:

- a) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT A

EXHIBIT A

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

September 28, 2020

VIA LWDA WEBSITE

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

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Moonstone PEO, Inc.
760 N. Euclid St., Ste. 212
Anaheim, CA 92801

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Norco Plastics, Inc.
c/o John Williams, Agent for Service of
Process
14325 Monte Vista Avenue
Chino, CA 91710

**VIA U.S. CERTIFIED MAIL – RETURN
RECEIPT REQUESTED**

Beyond Staffing Solutions, Inc.
c/o John Harvey, Agent for Service of Process
4957 N. Grand Ave.
Covina, CA 91724

Re: *Vicente Gonzalez v. Norco Plastics, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Vicente Gonzalez in claims arising from his employment with Norco Plastics, Inc.; Beyond Staffing Solutions, Inc.; and Moonstone PEO, Inc. (“Defendants”). Mr. Gonzalez is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendants’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all former and current employees of Defendants (including any and all individuals who worked for and/or provided services for Defendants through a staffing agency) who were classified as non-exempt and have worked for Defendants during the one year preceding the date of this letter through the present date.

Mr. Gonzalez, a former employee, was employed by Defendants as an hourly, non-exempt employee from approximately March 2019 until approximately January 2020, at which time he was terminated. During most of his employment with Defendants, Mr. Gonzalez was staffed by Defendants Beyond Staffing Solutions, Inc. and Moonstone PEO, Inc. to work at Defendant Norco Plastics, Inc.’s facility located in Chino, California as an assembler.

Throughout Mr. Gonzalez’s employment with Defendants, Mr. Gonzalez was generally scheduled to work Monday through Friday from approximately 3:00 p.m. to approximately 11:00 p.m. Throughout Mr. Gonzalez’s employment with Defendants, Defendants utilized policies and procedures that required Mr. Gonzalez to clock in and out by scanning a tag with a barcode on it. Furthermore, Defendants’ timekeeping policies and practices required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his

scheduled shift. This was because Defendants operated in 3 shifts at Norco Plastics, and Mr. Gonzalez had to report early for his shift to replace the outgoing shift, and then would have to stay late until he was relieved by the shift that followed the one he worked. Thus, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. As a result of Defendants timekeeping policies and practices, Defendants failed to pay Mr. Gonzalez all required minimum wages. Further, because Mr. Gonzalez would often work more than eight (8) hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and practices also deprived Mr. Gonzalez of overtime wages owed to him.

Mr. Gonzalez was also not authorized and permitted to take all legally required paid rest periods due to Defendants' unlawful rest period policies and practices. Specifically, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. Accordingly, Defendants' rest period policies and practices fail to authorize and permit duty-free rest periods for every four hours worked, *or major fraction thereof*.

On those occasions when Mr. Gonzalez was not authorized and permitted to take all legally-compliant rest periods to which he was entitled, Defendants failed to compensate Mr. Gonzalez with the required rest period premium for each workday in which he experienced a rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at least a portion of the class period, Defendants maintained no payroll code or other mechanism for paying rest period premiums when Defendants failed to provide a legally compliant rest period.

As a result of Defendants' failure to pay all minimum and overtime wages, as well all rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Gonzalez and other non-exempt employees. Further, Defendants failed to comply with Labor Code section 226 by furnishing wage statements that failed to include the address of the legal entity that is the employer and also failed to include any of deductions or net pay received.

As a further result of Defendants' failure to pay all minimum and overtime wages, and failure to pay all rest period premium wages, Defendants failed to pay all wages owed to Mr. Gonzalez upon his separation of employment with Defendants.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Minimum Wage Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; Wage Order 1, § 4. Mr. Gonzalez and other aggrieved employees were not paid for all hours worked due to Defendants' timekeeping and compensation practices. As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least minimum wages for all such hours, due to Defendants' policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required minimum wages.

Overtime Violations

Defendants were required to pay Mr. Gonzalez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked.” As alleged above, Defendants caused Mr. Gonzalez and other aggrieved employees to work hours in a workweek but did not properly compensate Mr. Gonzalez and other aggrieved employees at least overtime wages for all such hours, due to Defendants’ policy and practice that required Mr. Gonzalez to report to work approximately five (5) minutes prior to the start of his scheduled shift and to continue working after the end of his scheduled shift. As a result, Mr. Gonzalez was often required to perform duties off-the-clock both before and after his shift for which he was not paid. This practice by Defendants resulted in Defendants not properly tracking all time worked by Mr. Gonzalez, and also resulted in Defendants not paying Mr. Gonzalez for all wages owed for the work he performed, including failing to pay him all required overtime wages.

Rest Period Violations

Defendants also failed to authorize and permit Mr. Gonzalez and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As alleged above, Defendants maintain unlawful rest period policies and practices that require employees to remain on premises for rest periods. As such, Mr. Gonzalez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

Defendants knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Gonzalez and other aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all overtime wages earned, and rest period premiums in violation of Labor Code § 226 *et seq.* Defendants’ failure to furnish Mr. Gonzalez and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum wages owed, overtime wages earned, rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendants’ reported data.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendants failed to timely pay Mr. Gonzalez and other aggrieved

employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and rest period premium wages. Pursuant to Labor Code § 203, Defendants' failure to pay all final wages due to Mr. Gonzalez and other aggrieved employees was willful and, consequently, entitles Mr. Gonzalez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Gonzalez will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Gonzalez's own investigation, and on information and belief, Defendants committed the following Labor Code violations:

- a) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Gonzalez and other aggrieved employees the statutory minimum wage for all hours worked;
- b) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Gonzalez and other aggrieved employees all overtime compensation earned;
- c) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Gonzalez and other aggrieved employees;
- d) Defendants violated Labor Code § 226 by failing to furnish Mr. Gonzalez and other aggrieved employees with accurate and compliant itemized wage statements;
- e) Defendants violated Labor Code § 204 by failing to pay Mr. Gonzalez and other aggrieved employees all earned wages at least twice during each calendar month;
- f) Defendants violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Gonzalez and other aggrieved employees; and
- g) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Gonzalez and other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendants if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT D

EXHIBIT D

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

VICENTE GONZALEZ, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

NORCO PLASTICS, INC., a California corporation;
BEYOND STAFFING SOLUTIONS, INC., a
California corporation; MOONSTONE PEO, INC., a
Texas corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. CIVSB2026519

**NOTICE OF PENDENCY OF CLASS
ACTION AND PROPOSED SETTLEMENT**

To: All current and former non-exempt, hourly employees who worked for Defendant Norco Plastics, Inc. (including any and all individuals who: (i) worked for Defendant Norco Plastics, Inc. directly or (ii) worked for and/or provided services for Defendant Norco Plastics, Inc. through a staffing agency) in California at any time from August 7, 2016 through **date of preliminary approval of the Settlement**. Collectively, these employees will be referred to as “Settlement Class Members.”

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) entitled *Vicente Gonzalez v. Norco Plastics, Inc.*, San Bernardino Superior Court Case No. CIVSB2026519 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant Norco Plastics, Inc.’s (“Defendant”) records show that you were employed by Defendant (either directly or through a staffing agency known as Beyond Staffing Solutions, Inc. or Moonstone PEO, Inc. and their respective subsidiaries or affiliates) as an hourly, non-exempt employee in California at some time between August 7, 2016 and **[date court grants preliminary approval]** (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Vicente Gonzalez (“Plaintiff”) brought this Lawsuit against Defendant, seeking to assert claims on behalf of a class of current and former hourly, non-exempt employees who worked for Defendant (either directly or through a staffing agency known as Beyond Staffing Solutions, Inc. or Moonstone PEO, Inc.), in California at any time on or after August 7, 2016. Plaintiff Vicente Gonzalez is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

The Lawsuit alleges that Defendant failed to pay all minimum and overtime wages owed, failed to provide to Settlement Class members all required meal and rest periods, and failed to provide Settlement Class members with itemized wage statements in compliance with California law. The Lawsuit also alleges that Defendant failed to timely pay all wages owed to Settlement Class members upon their separation of employment from Defendant. As a result of the foregoing alleged violations, Plaintiff also alleges that Defendant engaged in unfair business practices and are liable for civil penalties under the Labor Code Private Attorney General Act.

Defendant denies that it has done anything wrong. Defendant further denies that it owes Settlement Class members any wages, restitution, penalties, or other damages. No Court has made any determination as to the factual allegations in the Lawsuit. Rather, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, and it expressly denies all liability.

The Court has not ruled that Defendant violated any laws or whether Plaintiff or any other person is entitled to damages or other relief. However, to avoid additional expense, inconvenience, and interference with their business operations, Defendant has concluded that it is in their best interests and the interests of Settlement Class members to settle the Lawsuit on the terms summarized in this Notice. After Defendant provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the Parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant's policies strictly prohibit unlawful retaliation.

Defendant will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff / Settlement Class Members: LIDMAN LAW, APC Scott M. Lidman slidman@lidmanlaw.com Elizabeth Nguyen enguyen@lidmanlaw.com Milan Moore mmoore@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 www.lidmanlaw.com HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com 155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com	Attorneys for Defendant Norco Plastics, Inc. RESNICK & LOUIS, P.C. Robert A. Hufnagel rhufnagel@rlattorneys.com Kristina Hedberg khedberg@rlattorneys.com 800 N. Haven Ave., Suite 430 Ontario, California 91764 Tel: (909) 458-0110 Fax: (909) 906-1277
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What are the terms of the Settlement?

On [INSERT DATE OF PRELIMINARY APPROVAL], the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt, hourly employees who worked for Defendant (either directly or through a staffing agency known as Beyond Staffing Solutions, Inc. or Moonstone PEO, Inc.) in California at any time between August 7, 2016 and [date of preliminary approval]. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendant has agreed to pay \$420,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, which includes payments to Settlement Class members, attorneys’ fees and expenses, payment to the Labor Workforce Development Agency (“LWDA”), settlement administration costs, and the Class Representative’s Service Award. Defendant’s share of payroll taxes associated with any wage payments to Settlement Class members shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Settlement Administration Costs. The Court has approved Simpluris to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside an amount not to exceed \$6,800.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$140,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement in an amount not to exceed \$20,000.00 for verified costs Class Counsel incurred in connection with the Lawsuit.

Service Award to Class Representative. Class Counsel will ask the Court to award the Class Representative a service award in the amount not to exceed \$5,000.00, to compensate him for his service and extra work provided on behalf of the Settlement Class members.

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$20,000.00 as and for alleged civil penalties, payable pursuant to the California Labor Code Private Attorney General Act (“PAGA”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the “PAGA Amount,” as described below.

Calculation of Individual Settlement Class Members’ Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$<< >>, to be shared among an up to << >> estimated Settlement Class members. The NSA will be divided as follows:

- (i) The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of workweeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class member’s total workweeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total workweeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.

In addition, Five Thousand Dollars and Zero Cents (\$5,000.00) of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above. All PAGA Employees shall receive a portion of the PAGA. “PAGA Employees” include all current and former non-exempt, hourly, employees of Defendant (either directly or through a staffing agency) who worked in California (including those who submit a Request for Exclusion) at any time between August 7, 2019 and [the date the Court enters the order granting preliminary approval] (“PAGA Period”). A PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of workweeks that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of workweeks worked as a non-exempt employee during this time period, and the denominator of which is the total number of workweeks worked by all PAGA Employees.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion.

If you submit a Request for Exclusion, you will still receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you are a PAGA Employee.

Each member of the Settlement Class who receives a Settlement Award must cash the check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class Members whose checks were not cashed within 180 days after mailing will be distributed, subject to the Court’s approval, and consistent with Code of Civil Procedure section 384, to Inland Counties Legal Services located at 455 N. D Street San Bernardino, CA 92401.

Payment by Defendant of Gross Settlement Amount. The Gross Settlement Amount shall be paid by Defendant with the Settlement Administrator within thirty (30) calendar days after the “Effective Date” which is defined as the latter of: (a) the Court’s final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.

Within ten (10) calendar days following Defendant’s deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties’ counsel for review and approval. Within seven (7) calendar days of approval by the Parties’ counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members.

Allocation and Taxes. For tax purposes, each Settlement Award shall be allocated as follows: sixty-seven percent (67%) as penalties and interest; and thirty-three percent (33%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Awards. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, the Settlement Class, and each Settlement Class member who has not submitted a timely and valid Request for Exclusion, will fully and forever completely release and discharge Defendant, and all of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives (including but not limited to Jack Williams and John Williams), accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (including, without limitation the other named defendants in the action, Beyond and Moonstone) (collectively the “Released Parties”), from all claims, demands, rights, liabilities and causes of action that are/were pled in the operative complaint in the Action (which is the Second Amended Complaint), or which could have been pled in the operative complaint in the Action (which is the Second Amended Complaint) based on the factual allegations therein, that arose during the Class Period including but not limited to the following claims: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (d) failure to provide meal periods, or premium pay for non-compliant meal periods; (e) failure to issue accurate, itemized wage statements; (f) failure to pay all wages upon termination and (g) all claims for unfair business

practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, “Released Claims”).

The time period of the Released Claims shall be the same time period as the Class Period.

PAGA Release and PAGA Employees. If the Court approves the Settlement, all PAGA Employees will release and forever discharge all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties based on (as alleged in the letter to the Labor & Workforce Development Agency (“LWDA”) September 28, 2020 and the operative complaint (which is the Second Amended Complaint) for: (a) failure to pay all overtime wages owed; (b) failure to pay all minimum wages owed; (c) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (d) failure to provide meal periods, or premium pay for non-compliant meal periods; (e) failure to issue accurate, itemized wage statements; (f) failure to pay all wages upon termination (collectively, “PAGA Released Claim”).

The time period of the PAGA Released Claim is August 7, 2019 and [the date the Court enters the order granting preliminary approval] (“PAGA Period”).

The Parties acknowledge that under the release, the right of the LWDA to investigate the PAGA Released claim is not released, but the PAGA Released Claim does include any claims for penalties by a PAGA Employee as a result of any such LWDA investigation, and PAGA Employees are barred from their right to act as a private attorney general as to the PAGA Released Claims.

You cannot submit a Request for Exclusion from the PAGA Release.

The releases are null and void if Defendant fail to fully fund the Settlement. The releases identified herein shall become effective on the date on which Defendant fully funds the Settlement (“Effective Date of the Release”). Upon the Effective Date of the Release, all Class Members shall be deemed to have, and by operation of Judgment shall have, released, waived and relinquished the Released Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period (as explained above), and as stated in the accompanying Notice of Individual Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Individual Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period, and whether you have worked between August 7, 2019 and [date of preliminary approval]. The information contained in Defendant’s records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Individual Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Individual Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>.

DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator’s decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written “Request for Exclusion from the Class Action Settlement” letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement indicating that you would like to be excluded from the Class Action Settlement. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE GONZALEZ V. NORCO PLASTICS LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement.

If you submit a Request for Exclusion, you will only be excluded from the Released Claims. You cannot submit a Request for Exclusion from the PAGA Release. You will receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you were employed between August 7, 2019 and [DATE OF PRELIMINARY APPROVAL].

Do not submit both a Dispute and a Request for Exclusion. If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Written objections must be postmarked on or before <<RESPONSE DEADLINE>>.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. You have the right to appear either remotely, in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case (*Vicente Gonzalez v. Norco Plastics, Inc.* San Bernardino County Superior Court, Case No. CIVSB2026519).

Any Settlement Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court’s social distancing and mandatory face covering requirements, as well as other orders related to COVID-19. All such rules and orders can be located at the Court’s website: <https://www.sb-court.org/general-information/information-regarding-court-reopening-plans>.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. The Court also will be asked to rule on Class Counsel’s request for attorneys’ fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to

Settlement Class members. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website (<http://.com>). The Court's final judgment will also be posted on the Settlement Administrator's website.

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. Due to COVID-19, please visit the Court's website at <https://www.sb-court.org/general-information/information-regarding-court-reopening-plans> for information on accessing the Court and modified service hours due to COVID. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON **<<PRELIM APPROVAL DATE>>.**

NOTICE OF SETTLEMENT AWARD

Vicente Gonzalez v. Norco Plastics, Inc., et al

SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVSB2026519

Please complete, sign, date and return this form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Individual Settlement Award:

According to Norco Plastics, Inc.'s records ("Defendant"):

- (a) You were employed by Defendant (either directly or through a staffing agency) and worked a total of [] workweeks between August 7, 2016 and [<<Preliminary Approval Order>>].
- (b) You were employed by Defendant (either directly or through a staffing agency) and worked a total of [] workweeks August 7, 2019 and [<<Preliminary Approval Order>>].

Based on the above, your Individual Settlement Award is estimated to be \$ [].

(IV) If you disagree with items (a) – (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this form:

If you dispute the above information from Defendant's records, Defendant's records will control unless you are able to provide documentation that establishes that Defendant's records are mistaken. If there is a dispute about whether Defendant's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form. Any unresolved disputes will be submitted to the Court for a final determination.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>**