

NOTE: This cover sheet is to be used to electronically file and submit to the court a proposed order. The proposed order sent electronically to the court must be in PDF format and must be attached to this cover sheet. In addition, a version of the proposed order in an editable word-processing format must be sent to the court at the same time as this cover sheet and the attached proposed order in PDF format are filed.

1. Name of the party submitting the proposed order:
Plaintiff Krista Ozuna
2. Title of the proposed order:
Amended [Proposed] Order Granting Preliminary Approval of Class Action Settlement
3. The proceeding to which the proposed order relates is:
 - a. Description of proceeding: Hearing on Motion for Preliminary Approval of Class Action Settlement
 - b. Date and time: April 16, 2021, at 9:00 a.m.
 - c. Place: Dept. CX104, Civil Complex Center
751 W. Santa Ana Blvd.
Santa Ana, CA 92701
4. The proposed order was served on the other parties in the case.

(SIGNATURE OF PARTY OR ATTORNEY)

CASE NAME:

Ozuna v. CMRE Financial Services, Inc., et al.

CASE NUMBER:

30-2019-01087365-CU-OE-CXC

**PROOF OF ELECTRONIC SERVICE
PROPOSED ORDER**

1. I am at least 18 years old and **not a party to this action.**

a. My residence or business address is (*specify*):

9301 Wilshire Blvd., Suite 650, Beverly Hills, CA 90210

b. My electronic service address is (*specify*): lanie@counselonegroup.com

2. I electronically served the *Proposed Order (Cover Sheet)* with a proposed order in PDF format attached, and a proposed order in an editable word-processing format as follows:

a. On (*name of person served*) (*If the person served is an attorney, the party or parties represented should also be stated.*):

Ryan D. McCortney, Esq. and Matthew M. Sonne, Esq., attorneys for Defendant

b. To (*electronic service address of person served*): rmccortney@sheppardmullin.com; msonne@sheppardmullin.com

c. On (*date*): February 24, 2021

☐ Electronic service of the *Proposed Order (Cover Sheet)* with the attached proposed order in PDF format and service of the proposed order in an editable word-processing format on additional persons are described in an attachment.

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

Date: February 24, 2021

Lanie Lim

(TYPE OR PRINT NAME OF DECLARANT)


(SIGNATURE OF DECLARANT)

Edwin Aiwazian (SBN 232943)
Arby Aiwazian (SBN 269827)
Joanna Ghosh (SBN 272479)
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Anthony J. Orshansky (SBN 199364)
Justin Kachadoorian (SBN 260356)
COUNSELONE, P.C.
9301 Wilshire Boulevard, Suite 650
Beverly Hills, California 90210
Tel: (310) 277-9945 / Fax: (424) 277-3727

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

KRISTA OZUNA, individually and on
behalf of other members of the general
public similarly situated and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

v.

CMRE FINANCIAL SERVICES, INC., a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 30-2019-01087365-CU-OE-CXC

Honorable William D. Claster
Department CX104

CLASS ACTION

**AMENDED [PROPOSED] ORDER
GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT (Related to ROA #64)**

Reservation Number: 73429309

Preliminary Approval Hearing

Date: April 16, 2021
Time: 9:00 a.m.
Dept.: CX104

1 This matter has come before the Honorable William D. Claster in Department CX104 of the
2 Superior Court of the State of California, for the County of Orange, on April 16, 2021 at 9:00 a.m.
3 for Plaintiff's Motion for Preliminary Approval of Class Action Settlement. Lawyers *for* Justice,
4 PC and CounselOne, PC appear as counsel for plaintiff Krista Ozuna ("Plaintiff" or "Class
5 Representative"), individually and on behalf of all others similarly situated. Sheppard, Mullin,
6 Richter & Hampton LLP appears as counsel for defendant CMRE Financial Services, Inc.
7 ("Defendant").

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

11 **IT IS HEREBY ORDERED THAT:**

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

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

20 3. The Court hereby grants Plaintiff leave to file the [Proposed] First Amended
21 Complaint for Damages and Enforcement under the Private Attorneys General Act, California
22 Labor Code § 2698, *et seq.* ("First Amended Complaint") which is attached hereto as "**Exhibit A.**"
23 The First Amended Complaint shall be deemed filed as of the date of the entry of this Order, and
24 shall be the operative complaint in the action for the purpose of Settlement, including the release
25 of claims. The First Amended Complaint and all allegations and causes pleaded therein shall be
26 deemed denied by Defendant without the necessity of Defendant filing an answer to the First
27 Amended Complaint or any other pleading in the action. In the event that the Settlement does not
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1 become final for any reason, the First Amended Complaint shall be *void ab initio* and the original
2 Complaint shall be the operative complaint for all purposes unless otherwise ordered by the Court.

3 4. It appears to the Court on a preliminary basis that the Settlement is fair, adequate,
4 and reasonable. It appears to the Court that extensive investigation and research have been
5 conducted such that counsel for the parties at this time are able to reasonably evaluate their
6 respective positions. It further appears to the Court that the Settlement, at this time, will avoid
7 substantial additional costs by all parties, as well as avoid the delay and risks that would be
8 presented by the further prosecution of the action. It further appears that the Settlement has been
9 reached as the result of intensive, serious and non-collusive, arm's-length negotiations, and was
10 entered into in good faith.

11 5. The Court preliminarily finds that the Settlement, including the allocations for the
12 Class Counsel's fees, Class Counsel's costs and expenses, payment to the LWDA, Settlement
13 Administrator's fees and expenses, Enhancement Payment, and payments to the Settlement Class
14 Members provided thereby, appears to be within the range of reasonableness of a settlement that
15 could ultimately be given final approval by this Court. Indeed, the Court has reviewed the monetary
16 recovery that is being granted as part of the Settlement and preliminarily finds that the monetary
17 settlement awards made available to the Settlement Class Members are fair, adequate, and
18 reasonable when balanced against the probable outcome of further litigation relating to certification,
19 liability, and damages.

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

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

all persons employed in California by Defendant as hourly-paid or non-exempt employees at any time during the time period from August 1, 2015 to August 1, 2020.

8. The Court provisionally appoints the law firms Lawyers *for* Justice, PC and CounselOne, PC as counsel for the Settlement Class (“Class Counsel”).

9. The Court provisionally appoints Plaintiff Krista Ozuna as the representative of the Settlement Class (“Class Representative”).

10. The Court provisionally appoints CPT Group, Inc. (“CPT Group”) to handle the administration of the Settlement (“Settlement Administrator”).

11. Within fifteen (15) calendar days of the date of this Order, Defendant shall provide the Settlement Administrator with a list of all Class Members that identifies the following for each Class Member: his or her full name, last-known mailing address, last-known telephone number, Social Security number, start and end dates of employment in an hourly paid or non-exempt position at any of Defendant’s locations in California during the Class Period (collectively, the “Class List”).

12. The Court approves, both as to form and content, the Notice of Class Action Settlement (“Class Notice”) attached hereto as “**Exhibit B**” and as internal “Exhibit 6” to the Supplemental Declaration of Anthony J. Orshansky in Support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement, filed concurrently herewith. The Class Notice shall be provided to Class Members in the manner set forth in the Settlement Agreement. The Court finds that the Class Notice appears to fully and accurately inform the Class Members of all material elements of the Settlement, of Class Members’ right to be excluded from the Settlement by submitting a Request for Exclusion, of Settlement Class Members’ right to challenge the workweeks credited to them by submitting a dispute, and of each Settlement Class Member’s right and opportunity to object to the Settlement by filing an objection. The Court further finds that distribution of the Class Notice substantially in the manner and form set forth in the Settlement

1 Agreement and this Order and all other dates set forth in the Settlement Agreement and this Order
2 meet the requirements of due process and shall constitute due and sufficient notice to all persons
3 entitled thereto. The Court further orders the Settlement Administrator to mail the Class Notice to
4 all Class Members within thirty (30) calendar days of the date of this Order, pursuant to the terms
5 set forth in the Settlement Agreement.

6 13. The Court hereby preliminarily approves the proposed procedure, set forth in the
7 Settlement Agreement, for seeking exclusion from the Settlement. Any Class Member may choose
8 to be excluded from the Settlement by mailing to the Settlement Administrator a letter requesting
9 exclusion from the Settlement Class (“Request for Exclusion”) in conformity with the requirements
10 set forth in the Class Notice, postmarked by the date which is sixty (60) calendar days from the date
11 of the initial mailing of the Class Notice to Class Members (“Response Deadline”). Any such
12 person who timely and validly chooses to opt out of, and be excluded from, the Settlement will not
13 be entitled to any recovery under the Settlement and will not be bound by the Settlement or have
14 any right to object, appeal, or comment thereon. Class Members who have not submitted a timely
15 and valid Request for Exclusion from the Settlement (i.e., Settlement Class Members) shall be
16 bound by the Settlement Agreement and any final judgment based thereon.

17 14. A Final Approval Hearing shall be held before this Court on
18 _____ at _____ a.m./p.m. in
19 Department CX104 of the Orange County Superior Court, 751 West Santa Ana Boulevard, Santa
20 Ana, California 92701, to determine all necessary matters concerning the Settlement, including:
21 whether the proposed settlement of the action on the terms and conditions provided for in the
22 Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether
23 a judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation
24 contained in the Settlement should be approved as fair, adequate, and reasonable to the Settlement
25 Class Members; and determine whether to finally approve the requests for the attorneys’ fees, costs
26 and expenses, Settlement Administrator’s fees and expenses, and Enhancement Payment.

27 15. Class Counsel shall file a motion for final approval of the Settlement and for
28 attorneys’ fees, costs and expenses, Settlement Administrator’s fees and expenses, and

Enhancement Payment, along with the appropriate declarations and supporting evidence, including the Settlement Administrator's declaration, by _____, to be heard at the Final Approval Hearing.

16. To object to the Settlement, a Settlement Class Member must file a written statement of objection with the Settlement Administrator, along with all supporting papers, postmarked on or before the Response Deadline. The objection must contain the information that is required, as set forth in the Class Notice, including and not limited to the grounds for the objection.

17. In the event the Settlement does not become effective in accordance with the terms of the Settlement Agreement or the Settlement is not finally approved, this Order shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Settlement Agreement.

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

IT IS SO ORDERED.

Dated: _____

By: _____
The Honorable William D. Claster
Judge of the Superior Court

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Exhibit A

Edwin Aiwazian (SBN 232943)
Arby Aiwazian (SBN 269827)
Joanna Ghosh (SBN 272479)
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Anthony J. Orshansky (SBN 199364)
Justin Kachadoorian (SBN 260356)
COUNSELONE, P.C.
9301 Wilshire Boulevard, Suite 650
Beverly Hills, California 90210
Tel: (310) 277-9945 / Fax: (424) 277-3727

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

KRISTA OZUNA, individually and on behalf
of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

v.

CMRE FINANCIAL SERVICES, INC., a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 30-2019-01087365-CU-OE-CXC

Honorable William D. Cluster
Department CX104

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

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment);
- (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);

- (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records);
- (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (10) Violation of California Business & Professions Code §§ 17200, *et seq.*;
- (11) Violation of California Labor Code § 2698, *et seq.* (Private Attorneys General Act of 2004)

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiff KRISTA OZUNA (“Plaintiff”), individually and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act (“PAGA”), and alleges as follows:

INTRODUCTION

1. This is a class action pursuant to California Code of Civil Procedure section 382 on behalf of Plaintiff and the following class: *All current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California at any time during the period from August 1, 2015 to final judgment.*

2. Throughout the time period involved in this case, Defendants willfully maintained a consistent policy of failing to pay all wages, including minimum wages, for all hours worked; failing to pay all overtime wages; failing to provide timely duty-free meal periods; failing to authorize and permit duty-free rest breaks; failing to maintain and provide accurate itemized wage statements; failing to reimburse for business expenses; and failing to pay all wages owed timely and upon separation of employment. Defendants’ illegal conduct has also given rise to derivative claims for unfair business practices and violation of the Private Attorneys General Act of 2004 (“PAGA”).

3. Plaintiff, on behalf of herself and all other similarly situated employees, pursuant to California Business & Professions Code sections 17200 through 17208, also seeks all monies owed but withheld and retained by Defendants to which Plaintiff and class members

are entitled. Plaintiff seeks an order by the Court awarding restitution, injunctive relief, and all other legal and equitable relief allowed, plus interest, attorneys' fees and costs.

4. Plaintiff, on behalf of herself and all other similarly situated aggrieved employees, also brings this representative action against Defendants to recover wages and penalties owed pursuant to Labor Code section 2699. Plaintiff was compelled to retain the services of counsel to file this action to protect her interests and those of aggrieved employees and has thereby incurred attorneys' fees and costs, which she is entitled to recover under Labor Code section 2699.

JURISDICTION AND VENUE

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

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

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

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

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PARTIES

9. Plaintiff KRISTA OZUNA is an individual residing in the State of California.

10. Defendant CMRE FINANCIAL SERVICES, INC., at all times herein mentioned, was and is, upon information and belief, a California corporation and, at all times herein mentioned, an employer whose employees are engaged throughout the State of California, including the County of Orange.

11. At all relevant times, Defendant CMRE FINANCIAL SERVICES, INC. was the “employer” of Plaintiff within the meaning of all applicable California laws and statutes.

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

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

14. Defendant CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100 will hereinafter collectively be referred to as “Defendants.”

15. Plaintiff further alleges that Defendants directly or indirectly controlled or affected the working conditions, wages, working hours, and conditions of employment of

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

3 **CLASS ACTION ALLEGATIONS**

4 16. Plaintiff brings this action on her own behalf and on behalf of all other members
5 of the general public similarly situated, and, thus, seeks class certification under California
6 Code of Civil Procedure section 382.

7 17. The proposed class is defined as follows:

8 All current and former hourly-paid or non-exempt employees who worked for
9 any of the Defendants within the State of California at any time during the
10 period from August 1, 2015 to final judgment.

11 18. Plaintiff reserves the right to establish subclasses as appropriate.

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

- 14 a. Numerosity: The class members are so numerous that joinder of all class
15 members is impracticable. The membership of the entire class is
16 unknown to Plaintiff at this time; however, the class is estimated to be
17 greater than fifty (50) individuals and the identity of such membership is
18 readily ascertainable by inspection of Defendants' employment records.
- 19 b. Typicality: Plaintiff's claims are typical of all other class members' as
20 demonstrated herein. Plaintiff will fairly and adequately protect the
21 interests of the other class members with whom she has a well-defined
22 community of interest.
- 23 c. Adequacy: Plaintiff will fairly and adequately protect the interests of
24 each class member, with whom she has a well-defined community of
25 interest and typicality of claims, as demonstrated herein. Plaintiff has no
26 interest that is antagonistic to the other class members. Plaintiff's
27 attorneys, the proposed class counsel, are versed in the rules governing
28 class action discovery, certification, and settlement. Plaintiff has

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

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

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

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

- 18 a. Whether Defendants' failure to pay wages, without abatement or
19 reduction, in accordance with the California Labor Code, was willful;
- 20 b. Whether Defendants' had a corporate policy and practice of failing to
21 pay their hourly-paid or non-exempt employees within the State of
22 California for all hours worked and missed (short, late, interrupted,
23 and/or missed altogether) meal periods and rest breaks in violation of
24 California law;
- 25 c. Whether Defendants required Plaintiff and the other class members to
26 work over eight (8) hours per day and/or over forty (40) hours per week,
27 and/or over six (6) days per workweek and failed to pay the legally
28 required overtime compensation to Plaintiff and the other class members;

- 1 d. Whether Defendants deprived Plaintiff and the other class members of
2 meal and/or rest periods or required Plaintiff and the other class
3 members to work during meal and/or rest periods without compensation;
4 e. Whether Defendants failed to pay minimum wages to Plaintiff and the
5 other class members for all hours worked;
6 f. Whether Defendants failed to pay all wages due to Plaintiff and the other
7 class members within the required time upon their discharge or
8 resignation;
9 g. Whether Defendants failed to timely pay all wages due to Plaintiff and
10 the other class members during their employment;
11 h. Whether Defendants complied with wage reporting as required by the
12 California Labor Code; including, *inter alia*, section 226;
13 i. Whether Defendants kept complete and accurate payroll records as
14 required by the California Labor Code, including, *inter alia*, section
15 1174(d);
16 j. Whether Defendants failed to reimburse Plaintiff and the other class
17 members for necessary business-related expenses and costs;
18 k. Whether Defendants' conduct was willful or reckless;
19 l. Whether Defendants engaged in unfair business practices in violation of
20 California Business & Professions Code section 17200, *et seq.*;
21 m. The appropriate amount of damages, restitution, and/or monetary
22 penalties resulting from Defendants' violation of California law; and
23 n. Whether Plaintiff and the other class members are entitled to
24 compensatory damages pursuant to the California Labor Code.

25 **GENERAL ALLEGATIONS**

26 21. At all relevant times set forth herein, Defendants employed Plaintiff and other
27 persons as hourly paid or non-exempt employees within the State of California, including the
28 County of Orange.

1 22. Defendants, jointly and severally, employed Plaintiff as an hourly paid, non-
2 exempt employee, from approximately July 2002 to approximately February 2018, in the State
3 of California, County of Orange.

4 23. Defendants hired Plaintiff and the other class members, classified them as
5 hourly paid or non-exempt employees, and failed to compensate them for all hours worked and
6 missed, short, late, or interrupted meal periods and/or rest breaks.

7 24. Defendants had the authority to hire and terminate Plaintiff and the other class
8 members, to set work rules and conditions governing Plaintiff's and the other class members'
9 employment, and to supervise their daily employment activities.

10 25. Defendants exercised sufficient authority over the terms and conditions of
11 Plaintiff's and the other class members' employment for them to be joint employers of Plaintiff
12 and the other class members.

13 26. Defendants directly hired and paid wages and benefits to Plaintiff and the other
14 class members.

15 27. Defendants continue to employ hourly-paid or non-exempt employees within the
16 State of California.

17 28. Plaintiff and the other class members worked over eight (8) hours in a day, forty
18 (40) hours in a week, and/or over six (6) days in a workweek during their employment with
19 Defendants.

20 29. Plaintiff is informed and believes, and based thereon alleges, that Defendants
21 engaged in a uniform policy and systematic scheme of wage abuse against their hourly paid or
22 non-exempt employees within the State of California. This scheme involved, *inter alia*, failing
23 to pay them for all hours worked and missed, short, late, or interrupted meal periods and rest
24 breaks in violation of California law.

25 30. Plaintiff is informed and believes, and based thereon alleges, that Defendants
26 knew or should have known that Plaintiff and the other class members were entitled to receive
27 certain wages for overtime compensation and that they were not receiving accurate overtime
28 compensation for all overtime hours worked.

1 31. Plaintiff is informed and believes, and based thereon alleges, that Defendants
2 failed to provide Plaintiff and the other class members all required rest and meal periods during
3 the relevant time period as required under the Industrial Welfare Commission Wage Orders
4 and thus they are entitled to any and all applicable premium wages. Defendants' failure
5 included, *inter alia*, failing to provide uninterrupted ten (10) minute rest periods and timely,
6 uninterrupted thirty (30) minute meal periods to Plaintiff and the other class members. Plaintiff
7 and the other class members were required to perform work during meal periods and rest periods,
8 and Defendants incentivized Plaintiff and the other class members to forego statutorily required
9 meal periods and rest periods.

10 32. Plaintiff is informed and believes, and based thereon alleges, that Defendants
11 failed to relieve Plaintiff and the other class members of all duties, failed to relinquish control
12 over Plaintiff and the other class members' activities, failed to permit Plaintiff and the other
13 class members a reasonable opportunity to take, and impeded or discouraged them from taking,
14 thirty (30) minute uninterrupted meal breaks no later than the end of their fifth hour of work
15 for shifts lasting at least six (6) hours, and/or to take second thirty (30) minute uninterrupted
16 meal breaks no later than their tenth hour of work for shifts lasting more than ten (10) hours.

17 33. Plaintiff is informed and believes, and based thereon alleges, that Defendants
18 knew or should have known that Plaintiff and the other class members were entitled to receive
19 all meal periods or payment of one additional hour of pay at Plaintiff's and the other class
20 members' regular rate of pay when a meal period was missed, short, late, or interrupted, and
21 they did not receive all meal periods or payment of one additional hour of pay at Plaintiff's and
22 the other class members' regular rate of pay when a meal period was missed, short, late, or
23 interrupted.

24 34. Plaintiff is informed and believes, and based thereon alleges, that Defendants
25 failed to provide, authorize, and permit Plaintiff and the other class members to take full,
26 uninterrupted, off-duty rest periods for every shift lasting three and one-half (3.5) to six (6)
27 hours and/or two full, uninterrupted, off-duty rest periods for every shift lasting six (6) to ten
28 (10) hours, and failed to make a good faith effort to authorize, permit, and provide such rest

breaks in the middle of each work period. Defendants also required Plaintiff and the other class members to remain on the premises during rest periods.

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

36. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew or should have known that Plaintiff and the other class members were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for all hours worked.

37. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew or should have known that Plaintiff and the other class members were entitled to receive all wages owed to them upon discharge or resignation, including earned but unpaid overtime wages, minimum wages, and meal and rest period premiums, and they did not, in fact, receive all such wages owed to them at the time of their discharge or resignation.

38. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew or should have known that Plaintiff and the other class members were entitled to receive all wages owed to them during their employment. Plaintiff and the other class members did not receive payment of all wages, including overtime and minimum wages and meal and rest period premiums, within any time permissible under California Labor Code section 204.

39. Plaintiff is informed and believes, and based thereon alleges, that Defendants knew or should have known that Plaintiff and the other class members were entitled to receive complete and accurate wage statements in accordance with California law, but, in fact, they did not receive complete and accurate wage statements from Defendants. The deficiencies

1 included, *inter alia*, the failure to include the total number of hours worked by Plaintiff and the
2 other class members.

3 40. Plaintiff is informed and believes, and based thereon alleges, that Defendants
4 knew or should have known that Defendants had to keep complete and accurate payroll records
5 for Plaintiff and the other class members in accordance with California law, but, in fact, did
6 not keep complete and accurate payroll records.

7 41. Plaintiff is informed and believes, and based thereon alleges, that Defendants
8 knew or should have known that Plaintiff and the other class members were entitled to
9 reimbursement for necessary business-related expenses.

10 42. Plaintiff is informed and believes, and based thereon alleges, that Defendants
11 knew or should have known that they had a duty to compensate Plaintiff and the other class
12 members pursuant to California law, and that Defendants had the financial ability to pay such
13 compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
14 represented to Plaintiff and the other class members that they were properly denied wages, all
15 in order to increase Defendants' profits.

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

22 44. During the relevant time period, Defendants failed to provide all requisite
23 uninterrupted meal and rest periods to Plaintiff and the other class members.

24 45. During the relevant time period, Defendants failed to pay Plaintiff and the other
25 class members at least minimum wages for all hours worked.

26 46. During the relevant time period, Defendants failed to pay Plaintiff and the other
27 class members all wages owed to them upon discharge or resignation.

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1 47. During the relevant time period, Defendants failed to pay Plaintiff and the other
2 class members all wages within any time permissible under California law, including, *inter*
3 *alia*, California Labor Code section 204. Through Labor Code section 210 and the PAGA, and
4 to the extent permitted by law, Plaintiff and aggrieved employees are entitled to recover civil
5 penalties for violations of Labor Code section 204.

6 48. During the relevant time period, Defendants failed to provide complete or
7 accurate wage statements to Plaintiff and the other class members, in violation of Labor Code
8 section 226(a). Plaintiff and aggrieved employees may also recover civil penalties pursuant to
9 Labor Code section 226.3 and the PAGA for Defendants' violations of Labor Code section
10 226(a).

11 49. During the relevant time period, Defendants failed to keep complete or accurate
12 payroll records for Plaintiff and the other class members, in violation of Labor Code section
13 1174. Pursuant to Labor Code section 1174.5 and the PAGA, Plaintiff and aggrieved employees
14 may also recover civil penalties for violation of Labor Code section 1174(d).

15 50. During the relevant time period, Defendants failed to reimburse Plaintiff and the
16 other class members for all necessary business-related expenses and costs.

17 51. During the relevant time period, Defendants failed to properly compensate
18 Plaintiff and the other class members pursuant to California law in order to increase
19 Defendants' profits.

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

23 **FIRST CAUSE OF ACTION**

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

25 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

26 53. Plaintiff incorporates by reference the allegations contained in Paragraphs 1
27 through 52, and each and every part thereof with the same force and effect as though fully set
28 forth herein.

1 54. California Labor Code section 1198 and the applicable Industrial Welfare
2 Commission (“IWC”) Wage Order provide that it is unlawful to employ persons without
3 compensating them at a rate of pay of either time-and-one-half or two-times that person’s
4 regular rate of pay, depending on the number of hours worked by the person on a daily or
5 weekly basis.

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

12 56. The applicable IWC Wage Order further provides that Defendants are and were
13 required to pay Plaintiff and the other class members overtime compensation at a rate of two
14 times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

15 57. California Labor Code section 510 codifies the right to overtime compensation
16 at one-and-one-half times the regular hourly rate for hours worked in excess of eight (8) hours
17 in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh day
18 of work, and to overtime compensation at twice the regular hourly rate for hours worked in
19 excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day
20 of work.

21 58. During the relevant time period, Plaintiff and the other class members worked in
22 excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a week.

23 59. During the relevant time period, Defendants intentionally and willfully failed to
24 pay overtime wages owed to Plaintiff and the other class members.

25 60. Defendants’ failure to pay Plaintiff and the other class members the unpaid
26 balance of overtime compensation, as required by California laws, violates the provisions of
27 California Labor Code sections 510 and 1198, and is therefore unlawful.

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1 61. Pursuant to California Labor Code section 1194, Plaintiff and the other class
2 members are entitled to recover unpaid overtime compensation, as well as interest, costs, and
3 attorneys' fees.

4 **SECOND CAUSE OF ACTION**

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

6 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

7 62. Plaintiff incorporates by reference the allegations contained in paragraphs 1
8 through 61, and each and every part thereof with the same force and effect as though fully set
9 forth herein.

10 63. At all relevant times, the IWC Order and California Labor Code sections 226.7
11 and 512(a) were applicable to Plaintiff's and the other class members' employment by
12 Defendants.

13 64. At all relevant times, California Labor Code section 226.7 provides that no
14 employer shall require an employee to work during any meal or rest period mandated by an
15 applicable order of the California IWC.

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

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

1 67. During the relevant time period, Plaintiff and the other class members who were
2 scheduled to work for a period of time no longer than six (6) hours, and who did not waive
3 their legally mandated meal periods by mutual consent, were required to work for periods
4 longer than five (5) hours without an uninterrupted meal period of not less than thirty (30)
5 minutes and/or a rest period.

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

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

19 70. As a result, during the relevant time period, Plaintiff and the other class
20 members who were scheduled to work for a period of time in excess of six (6) hours were
21 required to work for periods longer than five (5) hours without an uninterrupted meal period of
22 not less than thirty (30) minutes and/or a rest period.

23 71. During the relevant time period, Defendants intentionally and willfully required
24 Plaintiff and the other class members to work during meal periods and failed to compensate
25 Plaintiff and the other class members the full meal period premium for work performed during
26 meal periods.

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1 72. During the relevant time period, Defendants failed to pay Plaintiff and the other
2 class members the full meal period premium due pursuant to California Labor Code section
3 226.7.

4 73. Defendants' conduct violates the applicable IWC Wage Order and California
5 Labor Code sections 226.7 and 512(a).

6 74. Pursuant to the applicable IWC Wage Order and California Labor Code section
7 226.7(b), Plaintiff and the other class members are each entitled to recover from Defendants
8 one additional hour's worth of pay at the employee's regular rate of compensation for each
9 work day that the meal or rest period is not provided.

10 **THIRD CAUSE OF ACTION**

11 **(Violation of California Labor Code § 226.7)**

12 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

13 75. Plaintiff incorporates by reference the allegations contained in paragraphs 1
14 through 74, and each and every part thereof with the same force and effect as though fully set
15 forth herein.

16 76. At all times herein set forth, the applicable IWC Wage Order and California
17 Labor Code section 226.7 were applicable to Plaintiff's and the other class members'
18 employment by Defendants.

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

22 78. At all relevant times, the applicable IWC Wage Order provides that "[e]very
23 employer shall authorize and permit all employees to take rest periods, which insofar as
24 practicable shall be in the middle of each work period" and that the "rest period time shall be
25 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
26 hours or major fraction thereof" unless the total daily work time is less than three and one-half
27 (3 ½) hours.

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1 79. During the relevant time period, Defendants required Plaintiff and the other
2 class members to work four (4) or more hours without authorizing or permitting a ten (10)
3 minute rest period per each four (4) hour period worked.

4 80. During the relevant time period, Defendants willfully required Plaintiff and the
5 other class members to work during rest periods and failed to pay Plaintiff and the other class
6 members the full rest period premium for work performed during rest periods.

7 81. During the relevant time period, Defendants failed to pay Plaintiff and the other
8 class members the full rest period premium due pursuant to California Labor Code section
9 226.7.

10 82. Defendants' conduct violates applicable IWC Wage Orders and California
11 Labor Code section 226.7.

12 83. Pursuant to the applicable IWC Wage Orders and California Labor Code section
13 226.7(c), Plaintiff and the other class members are entitled to recover from Defendants one
14 additional hour of pay at the employees' regular hourly rate of compensation for each work
15 day that the rest period was not provided.

16 **FOURTH CAUSE OF ACTION**

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

18 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

19 84. Plaintiff incorporates by reference the allegations contained in paragraphs 1
20 through 83, and each and every part thereof with the same force and effect as though fully set
21 forth herein.

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

25 86. During the relevant time period, Defendants failed to pay minimum wage to
26 Plaintiff and the other class members as required, pursuant to California Labor Code sections
27 1194, 1197, and 1197.1.

28 ///

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

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

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

FIFTH CAUSE OF ACTION

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

(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)

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

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

92. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiff and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ.

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

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

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

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 204)

(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)

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

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

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

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99. At all times herein set forth, California Labor Code section 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

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

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

SEVENTH CAUSE OF ACTION

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

(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)

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

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

1 104. Defendants have intentionally and willfully failed to provide Plaintiff and the
2 other class members with complete and accurate wage statements. The deficiencies include,
3 but are not limited to, the failure to include the total number of hours worked by Plaintiff and
4 the other class members.

5 105. As a result of Defendants' violation of California Labor Code section 226(a),
6 Plaintiff and the other class members have suffered injury and damage to their statutorily
7 protected rights.

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

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

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

18 **EIGHTH CAUSE OF ACTION**

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

20 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

21 109. Plaintiff incorporates by reference the allegations contained in paragraphs 1
22 through 108, and each and every part thereof with the same force and effect as though fully set
23 forth herein.

24 110. Pursuant to California Labor Code section 1174(d), an employer shall keep, at a
25 central location in the state or at the plants or establishments at which employees are
26 employed, payroll records showing the hours worked daily by and the wages paid to, and the
27 number of piece-rate units earned by and any applicable piece rate paid to, employees
28 employed at the respective plants or establishments. These records shall be kept in accordance

1 with rules established for this purpose by the commission, but in any case shall be kept on file
2 for not less than two years.

3 111. Defendants have intentionally and willfully failed to keep accurate and complete
4 payroll records showing the hours worked daily and the wages paid, to Plaintiff and the other
5 class members.

6 112. As a result of Defendants' violation of California Labor Code section 1174(d),
7 Plaintiff and the other class members have suffered injury and damage to their statutorily
8 protected rights.

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

13 **NINTH CAUSE OF ACTION**

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

15 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

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

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

23 116. Plaintiff and the other class members incurred necessary business-related
24 expenses and costs that were not fully reimbursed by Defendants.

25 117. Defendants have intentionally and willfully failed to reimburse Plaintiff and the
26 other class members for all necessary business-related expenses and costs.

27 118. Plaintiff and the other class members are entitled to recover from Defendants
28 their business-related expenses and costs incurred during the course and scope of their

1 employment, plus interest accrued from the date on which the employee incurred the necessary
2 expenditures at the same rate as judgments in civil actions in the State of California.

3 **TENTH CAUSE OF ACTION**

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

5 **(Against CMRE FINANCIAL SERVICES, INC. and DOES 1 through 100)**

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

9 120. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,
10 unlawful and harmful to Plaintiff, other class members, the general public, and Defendants'
11 competitors. Accordingly, Plaintiff seeks to enforce important rights affecting the public
12 interest within the meaning of Code of Civil Procedure section 1021.5.

13 121. Defendants' activities as alleged herein are violations of California law, and
14 constitute unlawful business acts and practices in violation of California Business &
15 Professions Code section 17200, *et seq.*

16 122. A violation of California Business & Professions Code section 17200, *et seq.*
17 may be predicated on the violation of any state or federal law. In this instant case, Defendants'
18 policies and practices of requiring employees, including Plaintiff and the other class members,
19 to work overtime without paying them proper compensation violate California Labor Code
20 sections 510 and 1198. Additionally, Defendants' policies and practices of requiring
21 employees, including Plaintiff and the other class members, to work through their meal and
22 rest periods without paying them proper compensation violate California Labor Code sections
23 226.7 and 512(a). Defendants' policies and practices of failing to pay minimum wages violate
24 California Labor Code sections 1194, 1197, and 1197.1. Moreover, Defendants' policies and
25 practices of failing to timely pay wages to Plaintiff and the other class members violate
26 California Labor Code sections 201, 202 and 204. Defendants also violated California Labor
27 Code sections 226(a), 1174(d), 2800 and 2802.

28 ///

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

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

125. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and the other class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences August 1, 2015, an award of attorneys' fees pursuant to California Code of Civil procedure section 1021.5 and other applicable laws, and an award of costs.

ELEVENTH CAUSE OF ACTION

PENALTIES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004

Cal. Labor Code §§ 2698, *et seq.*

[On Behalf of Plaintiff and Aggrieved Employees against All Defendants]

126. Plaintiff, on behalf of herself and aggrieved employees, re-alleges and incorporates by reference all of the allegations contained in the previous paragraphs of this Complaint as though fully set forth herein.

127. Plaintiff, on behalf of herself and aggrieved employees, brings this representative action against Defendants to recover wages and penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698, *et seq.*

128. Based on the above allegations incorporated by reference, Defendants have violated Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

129. As a result of the acts alleged above, Plaintiff seeks penalties under Labor Code section 2699 because of Defendants' violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

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130. Under Labor Code sections 2699(a), (f), and 2699.5, for each such violation, Plaintiff and aggrieved employees are entitled to penalties in an amount to be shown at the time of trial subject to the following formula:

\$100.00 for the initial violation per employee per pay period; and

\$200.00 for each subsequent violation per employee per pay period.

These penalties shall be allocated seventy-five percent (75%) to the Labor and Workforce Development Agency (“LWDA”) and twenty-five percent (25%) to the affected employees.

These penalties may be stacked separately for each of Defendants’ violations of the California Labor Code.

131. Defendants failed to provide Plaintiff and aggrieved employees with accurate itemized wage statements in compliance with Labor Code section 226(a). Plaintiff seeks separate PAGA penalties for Defendants’ violations of Labor Code section 226(a) and (e). *Lopez v. Friant & Assocs., LLC* (2017) 15 Cal. App. 5th 773, 788; *Bell v. Home Depot U.S.A.* (E.D. Cal. Dec. 11, 2017) No. 2:12-cv-02499 JAM-CKD, 2017 U.S. Dist. LEXIS 204493, at *5 [finding after *Friant* that “[t]o the extent the Court’s Order [granting summary judgment to *Home Depot*] was ambiguous, the Court now clarifies that it granted summary judgment on Plaintiffs’ derivative claim for [PAGA] penalties under section 226(e)...the Court’s Order should not be read to grant summary judgment on Plaintiffs’ claim for PAGA penalties based on violation of section 226(a).”]. For violations of Labor Code section 226(a), Plaintiff seeks the default penalty provided by Labor Code section 226.3. Labor Code section 226.3 provides that “[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required records in subdivision (a) of Section 226.” Accordingly, through PAGA and to the extent permitted by law Plaintiff and aggrieved employees are entitled to recover penalties for violations of Labor Code section 226.3 and seek default PAGA penalties for each of Defendants’ numerous violations of Labor Code section 226(a).

1 132. Labor Code section 210 provides that “[i]n addition to, an entirely independent
2 and apart from, any other penalty provided in this article, every person who fails to pay the
3 wages of each employee as provided in Sections...204...shall be subject to a civil penalty as
4 follows: (1) [f]or any initial violation, one hundred dollars (\$100) for each failure to pay each
5 employee; (2) [f]or each subsequent violation, or any willful or intentional violation, two
6 hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount
7 unlawfully withheld.” As a result of the faulty compensation policies and practices, Plaintiff and
8 aggrieved employees are also entitled to recover penalties under Labor Code section 210 through
9 PAGA.

10 133. Labor Code section 1197.1 authorizes a civil penalty, restitution of wages, and
11 liquidated damages, in the amount of: “(1) [f]or any initial violation that is intentionally
12 committed, one hundred dollars (\$100) for each underpaid employee for each pay period for
13 which the employee is underpaid...[and] (2) [f]or each subsequent violation for the same specific
14 offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for
15 which the employee is underpaid regardless of whether the initial violation is intentionally
16 committed.” Accordingly, through PAGA and to the extent permitted by law, Plaintiff and
17 aggrieved employees are entitled to recover pursuant to Labor Code section 1197.1.

18 134. Plaintiff has fully and completely exhausted her administrative remedies under
19 PAGA prior to proceeding with the PAGA claim. On October 8, 2020, Plaintiff gave written
20 notice to the LWDA and Defendant CMRE Financial Services, Inc. of the specific code
21 provisions alleged to have been violated and paid the required filing fee. Plaintiff has not
22 received notice from the LWDA of its intent to investigate the alleged violations within sixty-
23 five (65) calendar days of the postmark date of the aforesaid letter.

24 135. Plaintiff, as a personal representative of the general public, will and does seek to
25 recover any and all penalties for each and every violation shown to exist or to have occurred
26 during the one year period before Plaintiff filed notice with the LWDA of her intent to bring an
27 action, in an amount according to proof, as to those penalties that are otherwise only available to
28 public agency enforcement actions. Funds recovered will be distributed in accordance with the

1 PAGA, with 75 percent of the penalties recovered being reimbursed to the State of California
2 and the LWDA.

3 136. Plaintiff was compelled to retain the services of counsel to file this action to
4 protect her interests and those of aggrieved employees, and to assess and collect the wages and
5 penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which
6 she is entitled to recover under Labor Code section 2699(g)(1).

7 **DEMAND FOR JURY TRIAL**

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

11 **PRAYER FOR RELIEF**

12 WHEREFORE, Plaintiff, individually and on behalf of other members of the general
13 public similarly situated, and on behalf of other aggrieved employees pursuant to the
14 California Private Attorneys General Act, prays for relief and judgment against Defendants,
15 jointly and severally, as follows:

16 **Class Certification**

- 17 1. That this action be certified as a class action;
18 2. That Plaintiff be appointed the representative of the class with respect to the first
19 ten causes of action;
20 3. That counsel for Plaintiff be appointed class counsel; and
21 4. That Defendants provide to class counsel immediately the names and most
22 current/last known contact information (address, e-mail and telephone numbers) of all class
23 members.

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

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

28 ///

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

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

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

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

8 **As to the Second Cause of Action**

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

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

16 12. For all actual, consequential, and incidental losses and damages, according to
17 proof;

18 13. For premium wages pursuant to California Labor Code section 226.7(c);

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

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

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

23 **As to the Third Cause of Action**

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

27 ///

28 ///

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

4 19. For all actual, consequential, and incidental losses and damages, according to
5 proof;

6 20. For premium wages pursuant to California Labor Code section 226.7(c);

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

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

10 **As to the Fourth Cause of Action**

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

14 24. For general unpaid wages and such general and special damages as may be
15 appropriate;

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

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

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

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

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

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

26 30. That the Court declare, adjudge and decree that Defendants violated California
27 Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the
28

time of termination of the employment of Plaintiff and the other class members no longer employed by Defendants;

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

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

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

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

As to the Sixth Cause of Action

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

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

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

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

As to the Seventh Cause of Action

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

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

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

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

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

As to the Eighth Cause of Action

44. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 1174(d) by willfully failing to keep accurate and complete payroll records for Plaintiff and the other class members as required by California Labor Code section 1174(d);

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

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

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

As to the Ninth Cause of Action

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

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

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

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

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

As to the Tenth Cause of Action

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

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

///

1 55. For the appointment of a receiver to receive, manage and distribute any and all
2 funds disgorged from Defendants and determined to have been wrongfully acquired by
3 Defendants as a result of violation of California Business and Professions Code sections
4 17200, *et seq.*;

5 56. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
6 California Code of Civil Procedure section 1021.5;

7 57. For injunctive relief to ensure compliance with this section, pursuant to
8 California Business and Professions Code sections 17200, *et seq.*; and

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

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

11 59. For a civil penalty in the amount of \$100.00 for the initial violation and \$200.00
12 for each subsequent violation as specified in section 2699(f)(2) of the Labor Code in the
13 representative action brought on behalf of Plaintiff and aggrieved employees pursuant to the
14 Private Attorneys General Act of 2004;

15 60. For all civil penalties available under section 210 of the Labor Code and the
16 Private Attorneys General Act of 2004;

17 61. For all civil penalties available under section 226.3 of the Labor Code and the
18 Private Attorneys General Act of 2004;

19 62. For all civil penalties available under section 1174.5 of the Labor Code and the
20 Private Attorneys General Act of 2004;

21 63. For all civil penalties available under section 1197.1 of the Labor Code and the
22 Private Attorneys General Act of 2004.

23 64. For an award providing for the payment of the costs of this suit;

24 65. For an award of attorneys' fees, to the extent provided by law; and

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

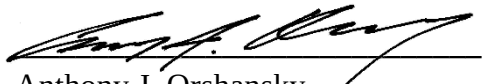
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2 Dated: February 24, 2021

COUNSELONE, P.C.

3
4 By: 
5 Anthony J. Orshansky
6 Justin Kachadoorian
7 *Attorneys for Plaintiff*
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Exhibit B

NOTICE OF CLASS ACTION SETTLEMENT

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.

Superior Court of California for the County of Orange, Case No. 30-2019-01087365-CU-OE-CXC

PLEASE READ THIS NOTICE CAREFULLY.

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

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

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

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Krista Ozuna ("Plaintiff") and Defendant CMRE Financial Services, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Krista Ozuna v. CMRE Financial Services, Inc., et al.*, Orange County Superior Court, Case No. 30-2019-01087365-CU-OE-CXC ("Lawsuit"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the Settlement.

I. IMPORTANT DEFINITIONS

"Class" means all persons employed in California by Defendant as hourly-paid or non-exempt employees during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period beginning on August 1, 2015 and ending on August 1, 2020.

II. BACKGROUND OF THE ACTION

On August 1, 2019, Plaintiff Krista Ozuna commenced the Lawsuit by filing the Class Action Complaint for Damages in the Orange County Superior Court. Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination and during employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices and owes penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Lawsuit or that it violated any law and contends that at all times it has complied with federal, state, and local laws.

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Class Action and PAGA Settlement Agreement and Stipulation ("Settlement," "Agreement," or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CPT Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Krista Ozuna as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

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

Anthony J. Orshansky
CounselOne, PC
9301 Wilshire Boulevard, Suite 650
Beverly Hills, California 90210
Telephone: (310) 277-9945 / Fax: (424) 277-3727

Attorneys for CMRE Financial Services, Inc. are:

Ryan D. McCortney
Matthew M. Sonne
Sheppard, Mullin, Richter & Hampton LLP
650 Town Center Drive, 10th Floor
Costa Mesa, California 92626
Telephone: (714) 513-5100 / Fax: (714) 513-5130

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

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

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Nine Hundred Thousand Dollars (\$900,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of Attorneys' Fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$315,000) and Attorneys' Costs in an amount not to exceed Twenty Thousand Dollars (\$20,000) to Class Counsel; (2) Enhancement Award in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff for her service in the Lawsuit; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500) for its 75% portion of the PAGA Penalties ("LWDA Payment"); and (4) Administration Costs in an amount not to exceed Twenty-Two Thousand Dollars (\$22,000) to the Settlement Administrator. Note: a total of Fifty Thousand Dollars (\$50,000) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Penalties"), of which the LWDA will be paid 75% and the remaining 25% (i.e., Twelve Thousand Five Hundred Dollars (\$12,500)) will be a part of the Net Settlement Amount for distribution, including to those Class Members who submit a valid and timely Request for Exclusion.

Class Members are eligible to receive a share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks, or fraction therefor, they worked for Defendant in California in an hourly-paid or non-exempt position during the Class Period ("Workweeks"). Workweeks have been calculated based on the number of days between the Class Member's start and end date of employment during the Class Period as an hourly-paid or non-exempt employee in California, dividing that number by seven (7), and rounding up to the nearest whole number.

The Settlement Administrator has divided the Net Settlement Amount by the sum of all Class members' individual Workweeks ("Total Workweeks") to yield the "Workweek Value," and multiplied each Class Member's individual Workweeks by the Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below).

Class Members who do not submit a valid and timely Request for Exclusion (“Settlement Class Members”) will be issued payment of their Individual Settlement Payment. However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim.

Each Individual Settlement Share will be allocated thirty-three percent (33%) as taxable wages which will be reported on an IRS Form W-2 and sixty-seven percent (67%) as interest and penalties which will be reported on an IRS Form 1099. The employer-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant, separately and in addition to the Gross Settlement Amount. Each Individual Settlement Share will be subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares (“Employee Taxes”), resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”).

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

B. Workweeks Credited to You

According to Defendant’s records:

From August 1, 2015 through August 1, 2020, you were employed by Defendant as an hourly-paid or non-exempt employee in California for [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you, you must timely submit a fully completed and signed written dispute (“Workweek Dispute”) to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline/60 days after mailing of Class Notice]**, to the address listed in Section IV.B below. The Workweek Dispute must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; (4) clearly state that the number of Workweeks attributed to you is incorrect and clearly state the number of Workweeks that you contend is correct; and (5) provide facts and/or attach documents supporting the number of Workweeks that you contend is correct. **A Workweek Dispute Form is attached hereto for your convenience.**

C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you, plus a pro rata share of the PAGA Payment.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

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

D. Release of Claims

Upon the Effective Date, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of any and all Class Released Claims they may have or had.

“Class Released Claims” means all claims arising from the facts and claims alleged in the operative complaint in the Lawsuit, or that could have been raised in the Lawsuit based on the facts and claims alleged. The Class Released Claims

include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the incorrect calculation of the regular rate of pay; wages related to alleged illegal time rounding; non-compliant meal periods and rest periods and compensation related thereto; payments for all hours worked, including off-the-clock work; inaccurate wage statements; failure to keep accurate records; unfair business practices related to the Class released Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; all claims related to the Class Released Claims arising under the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); and California Business and Professions Code section 17200, *et seq.* Further, regardless of whether a Class Member serves a timely Request for Exclusion, the Class Member will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim. This release excludes the release of claims not permitted by law.

"Released Parties" means Defendant and each of its past, present, and future employees, officers, directors, partners, shareholders, owners, trustees, representatives, agents, attorneys, parents, subsidiaries, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, affiliates, and insurers, and all of their respective past, present, and future employees, officers, directors, agents, attorneys, shareholders, owners, parents, subsidiaries, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$315,000) ("Attorneys' Fees") and reimbursement of actual litigation costs and expenses in an amount of up to Twenty Thousand Dollars (\$20,000) ("Attorneys' Costs") (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel agreed to split fees 50% and 50% between the law firms of Lawyers for Justice, PC and CounselOne, PC and have been prosecuting the Lawsuit on behalf of Plaintiff and 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.

F. Enhancement Award to Plaintiff

The Class Representative will receive the amount of Ten Thousand Dollars (\$10,000) ("Enhancement Award"), in recognition of her service in connection with the Lawsuit, subject to approval by the Court. The Enhancement Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to the Plaintiff in addition to her Individual Settlement Payment that she is entitled to under the Settlement.

G. Administration Costs to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Two Thousand Dollars (\$22,000) ("Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, objections, and disputes of Workweeks, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

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

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

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must mail a written request to opt out of the Settlement ("Request

for Exclusion”) to the Settlement Administrator, by first class U.S. mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the following address:

CPT Group, Inc.
[Mailing Address]
[Fax Number]

A Request for Exclusion must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; and (4) clearly state that you want to opt out of the Settlement. **A pre-printed Request For Exclusion Form is attached here for your convenience.**

If the Court grants final approval of the Settlement, Class Members who submit a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement except for a pro rata share of the PAGA Payment, will not be bound by the Settlement (and the release of claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim. Class Members who do not submit a valid and timely Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Objection”) to the Settlement Administrator, by mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the address listed in Section IV.B above. However, if the Court rejects your Objection, you will still be bound by the terms of the Settlement.

The Objection must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, and mailing address; (4) clearly state the factual and legal basis for objecting to the Settlement; (5) indicate whether you are represented by counsel and identify said counsel; and (6) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department CX104 of the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Boulevard, Santa Ana, California 92701, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. At this hearing, the Court will also determine whether to approve and award Attorneys’ Fees and Costs to Class Counsel, Enhancement Award to Plaintiff, and Administration Costs to the Settlement Administrator. The hearing may be continued without further notice to Class Members.

It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Clerk of the Orange County Superior Court, located at the Orange County Superior Court, Central Justice Center, 700 West Civic Center Drive, Santa Ana, California 92701. Some documents and information regarding the Lawsuit can also be accessed online for free or at a minimal charge at the Orange County Superior Court’s website, using the Case Access system, at the following web address: <http://www.occourts.org/online-services/case-access/>

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

WORKWEEK DISPUTE FORM

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.
Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC

**PLEASE COMPLETE THIS FORM ONLY IF YOU WISH TO DISPUTE THE WORKWEEKS
CREDITED TO YOU.**

According to Defendant's records, the number of Workweeks you worked from August 1, 2015 to August 1, 2020 is _____.

Based on this number of Workweeks, your estimated Individual Settlement Payment is \$_____, plus your Individual PAGA Payment is \$_____.

If you disagree with the number of Workweeks stated on this form, you must complete this form and send it to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline / 60 days after mailing of Class Notice]** at the following address:

CPT Group, Inc.
[Mailing Address]

I disagree with the number of Workweeks stated above because:

Please enclose all documentation supporting your dispute of the Workweeks.

Dated: _____

Signed: _____

Print Name: _____

Mailing Address: _____

Telephone Number: _____

Email Address: _____

**DO NOT RETURN THIS FORM IF YOU DO NOT DISPUTE THE NUMBER OF
WORKWEEKS STATED ABOVE.**

Questions? Please call: [Settlement Administrator's 800-number]

REQUEST FOR EXCLUSION FORM

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.
Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC

PLEASE COMPLETE THIS FORM **ONLY IF** YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS ACTION SETTLEMENT. IF YOU EXCLUDE YOURSELF FROM THE CLASS, YOU **WILL NOT** RECEIVE COMPENSATION FROM THE CLASS ACTION SETTLEMENT. HOWEVER, YOU WILL STILL RECEIVE A PRO RATA PORTION OF THE SETTLEMENT FUND ALLOCATED TO THE PRIVATE ATTORNEYS GENERAL ACT ("PAGA") CLAIMS AND BE BOUND BY THE RELEASE OF ALL PAGA CLAIMS COVERED BY THE SETTLEMENT.

I, _____, request to be excluded from the Settlement Class in the lawsuit *Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.*, Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC.

Dated: _____

Signed: _____

Print Name: _____

Mailing Address: _____

Telephone Number: _____

Email Address: _____

To be timely, a Request for Exclusion must be submitted to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline / 60 days after mailing of Class Notice]** at the following address:

CPT Group, Inc.
[Mailing Address]

Questions? Please call: [Settlement Administrator's 800-number]