

Eric K. Yaeckel [CSB No. 274608]
yaeckel@sullivanlawgroupapc.com

Ryan T. Kuhn [CSB No. 324538]
ryan@sullivanlawgroupapc.com

SULLIVAN & YAECKEL LAW GROUP, APC
2330 Third Avenue
San Diego, California 92101
(619) 702-6760 * (619) 702-6761 FAX

Attorneys for Plaintiff MICHAEL HERZOG, in a Representative Capacity only, and on behalf of other members of the general public similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

GEICO WAGE AND HOUR CASES

CASE NO. JCCP N0.5221

**DECLARATION OF ERIC K. YAECKEL
IN SUPPORT OF PLAINTIFFS' MOTION
RE: UNOPPOSED PAGA APPROVAL**

Included actions:

Date: February 7, 2025

Time: 1:30 p.m.

Dept.: C-63

Judge: Hon. Katherine Bacal

*Michael Herzog v. Government Employees
Insurance Company*

Superior Court of California, County of San
Diego No. 37-2020-00045064

*Conrad Reloj v. Government Employees
Insurance Company*

Superior Court of California, County of
Alameda No. 21CV003563

*Saul Gonzalez v. Government Employees
Insurance Company*

Superior Court of California, County of
Alameda No. RG21094836

*Nonesto Mabini v. Government Employees
Insurance Company*

Superior Court of California, County of San
Diego No. 37-2022-00011726

1 I, Eric K. Yaeckel declare as follows:

2 1. I am an attorney licensed to practice law before all the courts of the State of California, and am
3 employed with the law firm of SULLIVAN & YAECKEL LAW GROUP, APC, attorneys of
4 record for MICHAEL HERZOG, in a Representative capacity only, and on behalf of other
5 members of the general public similarly situated in this matter.

6 2. I make this declaration in support of Plaintiffs' Unopposed Motion Re: PAGA Settlement
7 Approval. I am personally familiar with the facts set forth in this declaration and, if called to
8 testify, could and would do so.

9 **Background, Investigation and Settlement**

10 3. A true and correct copy of the parties "PAGA Settlement Agreement" is attached as **Exhibit**
11 **1**. This is a "PAGA" only action. The Limitations Period begins on October 2, 2019 and ends
12 on November 1, 2024.

13 4. The parties were scheduled to go to trial on November 8, 2024. The parties attended a
14 mediation on September 18, 2024, before experienced "wage and hour" mediator Hunter
15 Hughes (Ret.) This was the *fourth* mediation in this matter. Following a full day of arms-
16 length negotiations, the Parties agreed to a mediator's proposal to resolve representative PAGA
17 claims against the Defendant.

18 5. Prior to negotiating the Settlement, Plaintiffs obtained, through formal discovery, Defendant's
19 wage and hour policies and all available time and payroll records for the alleged Aggrieved
20 Employees. Plaintiffs and Defendant each conducted expert analysis for the purposes of
21 evaluating potential civil penalties. The Parties reached a proposed settlement that includes a
22 payment of penalties to the LWDA.

23 6. The Total Value of the proposed Settlement is **\$5,250,000.00**. The "Monetary Terms"" are
24 found in Exhibit 1 (paragraph 3). Defendant has verified (and Plaintiffs' expert agreed) there
25 are approximately 4,504 employees who worked a total of 287,036 pay periods. This number
26 will increase slightly as the PAGA Period continues through November 1, 2024. If the Court
27 approves the "contingent costs" as requested in the moving papers, the total amount of PAGA
28 penalties will be \$3,396,328.61. 75% (\$2,547,246.46) shall be assigned/paid to the LWDA as

1 penalties. The remaining 25% (\$849,082.15) will be disbursed among all employees based on
2 pay periods worked during the PAGA period. If you divide the \$849,082.15 in penalties
3 between 4,504 employees, it results in an average payout of \$188.52 per employee. The actual
4 payout per employee will vary based on the total pay periods worked by each employee during
5 the PAGA period.

6 7. Based on the release, there are no restrictions for any of the employees to file individual
7 actions, as the settlement agreement only covers PAGA claims. (**Exhibit 1**: “Release of PAGA
8 Claims” ¶ 9 (a)).

9 8. **Please Note**: Much of the initial investigation and discovery in this case was conducted during
10 the height of the Covid Pandemic. This made discovery and investigation much more “labor
11 intensive,” in that certain discovery methods (*i.e.*, PMK depositions, “group” meetings with
12 other employees) were either prohibited or restricted, by operation of law. This required more
13 “individualized” investigation and analysis, which - in certain areas - required more attorney
14 billable time.

15 9. The parties have agreed to engage CAC Services Group, LLC (“CAC”) as the Settlement
16 Administrator. CAC has agreed to carry out all Administration duties for an amount not to
17 exceed. **\$13, 506.99**. CAC has extensive experience acting as a Settlement Administrator and
18 is prepared to carry out all Settlement Administration duties consistent with the parties
19 Agreement and the Final Order of this Court.

20 **Experience of Herzog’s Counsel**

21 10. The Lead Trial Counsel, Mr. William Sullivan, has been a California-licensed attorney for 30
22 years. He has approximately 29 years of experience in “class action” litigation, both as plaintiff
23 and defense counsel. Mr. Sullivan has acted as Trial Counsel (for Plaintiff) in multiple “Wage
24 and Hour” Class/Representative actions, including the (San Diego Superior Court) Trial which
25 is the subject of the Published decision entitled *Carrington v. Starbucks* (2018) 30 Cal.App.5th
26 504. Mr. Sullivan (who is currently and temporarily unavailable, due to a medical issue),
27 estimates that, throughout the course of his 30-year career, he has acted as Lead Plaintiffs’
28 counsel on “Wage and Hour” Class/Representative actions that have collected more than \$300

million for employees and/or the State of California, either through judgment following trial, or via negotiated settlement.

11. I am co-lead trial counsel. I have over 14 years of experience as a licensed California attorney who is primarily engaged in prosecuting class and representative actions. I have spent my entire practice engaged in prosecuting class and representative actions. I became a partner in our law firm in 2020.

12. Our office are the attorneys of record in a matter recently (and favorably) decided before the California Supreme Court titled *Donohue v. AMN Services, LLC*, 11 Cal.5th 58 (2021). The *Donohue* matter is a certified class and PAGA action.

13. Our office is lead counsel on at least 40 employment “wage and hour” claims with class action, or representative action, allegations. These cases are set within the California Superior Court and Federal District Courts in California. Our office is currently lead counsel on claims that have been certified by both Court Order and by stipulation of the parties. In the last three years, Sullivan & Yaeckel Law Group has settled at least 15 employment “wage and hour” claims on behalf of a Certified Class.

14. In the last seven years, Sullivan & Yaeckel Law Group has successfully tried three “Wage and Hour” Representative (PAGA) cases.

15. Our firm has the requisite experience knowledge of California law and the Federal Rules of Civil Procedure required to act on behalf of the Class. I consider the Settlement Agreement in this matter to represent a fair, adequate and reasonable settlement that is well within the accepted range of recoveries for similar wage and hour class actions. I also believe the Agreement is in the best interests of the Settlement Class Members. I am also aware that Defendants’ counsel (both the firm, and individual attorneys working on this case) have extensive experience defending similar wage and hour class actions.

16. Based on the above experience, it is this firm’s opinion that this settlement represents a fair and adequate payment to the LWDA and aggrieved employees.

The Lodestar Analysis

17. Plaintiffs seeks attorneys fees in the amount of one-third of the total settlement amount, which

1 is \$1,750,000.00. For purposes of a lodestar cross-check the firms' attorneys' fees incurred (to
2 date) are estimated to amount to approximately \$1,402,205.00. If you include the fee
3 calculations submitted the Rastegar Law Group (\$98,150.00) and Lavi & Ebrahimian, LLP
4 (\$104,292.50) Plaintiffs collective lodestar amount is **\$1,604,647.50**. The Attorney's fees on
5 behalf of Herzog's counsel are broken down as follows:

- 6 a. Mr. Sullivan served as lead investigator and trial counsel, per the specific request of
7 Plaintiffs. Over the course of the investigation (including pre-filing), Mr. William
8 Sullivan has currently expended approximately **811.5** hours in the service of this
9 action. **811.5** hours times **\$800.00** equals **\$649,200.00**. The work includes nearly all
10 preliminary investigation, the majority of the client and employee interaction/meetings,
11 and much of the other pre-settlement work, including the preparation of a the original
12 Mediation Brief and damages analysis. This time also includes traveling to at least 15
13 interviews with potential aggrieved employees residing across various parts of
14 California. The preliminary investigation included the review and analysis of several
15 thousand documents, as well as additional phone interviews with at least 10 other
16 GEICO employees. Mr. Sullivan undertook a significant (approximately 90 hours of)
17 pre-filing investigation, wherein many of the interviews took place. As mentioned
18 above, more hours than "normal" were expended during this time as this case was
19 proceeding throughout the height of the Covid Pandemic. During this time, Mr.
20 Sullivan also investigated Defendant, its business practices, and any variations in
21 employee job duties and rates of pay.
- 22 b. I was the partner primarily assigned to oversee the "day to day" activity of the primary
23 associate assigned to this case, starting in 2022. I also served as lead trial counsel
24 during Mr. Sullivan's medical leave in 2024. My billing rate is \$700.00 per hour. I
25 have currently expended approximately **795.2** hours in the service of this action. **595.8**
26 hours times **\$700.00** equals **\$556,640.00**. Aside from supervising the Associate
27 Attorneys, this work includes attending hearings, drafting and reviewing
28 correspondence and motions (including two dispositive motions for summary

1 adjudication/judgement) legal research and law, and much of the day to day
2 communication with opposing counsel. I also expended significant time preparing for
3 and participating in depositions. I defended a full day of Mr. Herzog's depositions. I
4 also took two "PMK" depositions, and separately deposed Mr. Herzog's former
5 supervisor. After the initial failed mediation, I also primarily was responsible for all
6 settlement negotiations and participated in all four mediations that occurred in this
7 matter. I was also the primary attorney responsible for helping to finalize the settlement
8 documents and prepare the instant motion. Finally, this matter settled less than 60 days
9 prior to trial. Accordingly, I spent significant time on trial preparation, which included
10 meeting with witnesses, preparing Plaintiff's experts, preparing witness scripts, and
11 reviewing all potential trial exhibits.

12 c. Mr. Ryan Kuhn, and at times previous associates of this firm, served as the primary
13 Associate Attorneys assigned to the case. The billing rate for our associate attorneys
14 and Mr. Kuhn is **\$475.00** per hour. The Associate Attorneys expended approximately
15 **413.4** hours in the service of this action. **413.4** hours times **\$475.00** equals
16 **\$196,365.00**. The work performed consisted of, for the most part, analysis of
17 Defendants' documents and records, in preparation for mediation, and for use in
18 dispositive motions brought by both parties and to analyze liability and damages for
19 purposes of trial. Tens of Thousands of pages of documents were produced over time
20 throughout the litigation. Mr. Kuhn was also assigned to discovery creation/review,
21 assisting with all discovery responses, the preparation of "meet and confer" letters and
22 other contact with defense counsel, and the drafting and filing of numerous separate
23 motions, including numerous different motions related to discovery. Significant meet
24 and confer attempts, and in some cases discovery motions had to be filed, to obtain all
25 required discovery. Mr. Kuhn also provided a detailed analysis of all employment
26 records to determine liability and penalties.

27 e. Given the actual attorneys' fees incurred, **\$1,604,647.50** a modest lodestar multiplier
28 of 1.09 is requested. Here, the multiplier requested (to the extent the Court even deems

such a lodestar cross-check necessary) is within the range of what California and federal courts often apply in class action cases. **Please Note:** there is no authority Plaintiff is aware of requiring a lodestar analysis in a PAGA matter. Moreover, the results obtained here, including the average net recovery per PAGA Member exceed those normally observed in PAGA only settlements. Finally, the results obtained here, versus the risk of a zero recovery, given the numerous asserted defenses, support this request.

The Reasonableness of Plaintiffs' Hourly Rates

18. I printed a copy of the Updated Laffey Matrix from the following website: www.laffeymatrix.com. A true and correct copy is attached as **Exhibit 2**. While not binding, a trial court has discretion to use the Laffey Matrix when it comes to establishing attorneys' reasonable hourly rates in California State Courts. *See e.g. Syers Properties III, Inc. v. Rankin*, 236 Cal.App.4th 691, 702 (2014).
19. The referenced "Laffey" chart states that for the time periods in this case, for an attorney with "20+" years experience, such as Mr. Sullivan, the matrix states a reasonable fee is between \$1,141–\$899 per hour. Mr. Sullivan has over 29 years of experience and bills at \$800 per hour. **Please Note:** While \$800 an hour may seem like a high figure at first glance, multiple Court's (including all San Diego Superior Court Judges) have accepted this figure for Mr. Sullivan. Moreover, this rate is justified given that "wage and hour" Class and/or Representative Action cases very rarely go to trial. Mr. Sullivan is one of the few attorneys who have (successfully) tried numerous of these types of cases. He has also successfully argued in front of the California Supreme Court in a Class and Representative action that is frequently cited in "wage and hour" litigation involving Meal Period claims. *Donohue v. AMN Services, LLC*, (2021) 11 Cal.5th 58.
20. For an attorney with 11-19 years experience, the matrix states a reasonable fee is between \$948- \$747 per hour. I have over 13 years experience working on class action litigation and only bill at the rate of \$700 per hour.
21. For an attorney with 4-7 years experience, the matrix states a reasonable fee is between \$581

- \$465 per hour. The associate Mr. Kuhn, who was working on this matter has over five years experience and billed at the rate of \$475 per hour.

22. Accordingly, we submit our rates are comparable to, or less than, those charged by other class action plaintiffs' counsel and the firms defending class actions.

23. Our hourly rates have routinely been approved by numerous federal and state Courts.

24. In a recent successful PAGA trial, tried before in the San Diego Superior Court, our office was awarded our full requested attorneys fees and was approved at the requested hourly rates (which are similar to the fees/rates billed here). Please See *Carrington v. Starbucks Corp.* San Diego Superior Court, Case No. 37-2014-00018637-CU-OE-CTL and published appellate opinion 30 Cal.App.5th 504.

Costs of Litigation

25. The total costs expended by our office in this matter will be **\$39,715.96**. If you add this figure to the costs submitted by the Rastegar Law Group and Lavi & Ebrahimian, LLP, the total amount sought by all Plaintiffs is **\$60,164.40**. The attached Cost Worksheet on behalf of Herzog was contemporaneously maintained and updated by my office. (See **Exhibit 3**). This is a true and accurate summary of the costs incurred by Plaintiffs' counsel. The costs include, filing and service fees (including the Complaint and all other pleadings, all e-file charges, LWDA filing fees and attorney messenger fees; Mediation Fees; Expert Fees, Legal Research and Postage and Copying Costs). All costs were necessary to the continued prosecution of this matter.

Additional Factors Relevant to PAGA Approval

26. Plaintiffs allege Geico required its employees to falsely report meal period compliance "across the board." Expert investigation confirmed that many pay periods show falsely reported (and/or interrupted) meal periods as well as late meal periods based on separate phone and computer data. GEICO argued that employees were given the opportunity for breaks and self reported their meal periods.

27. Plaintiffs also alleged the GEICO written rest period policies are illegal. One GEICO policy stated that Geico paid employees an improper rate of pay for rest period penalty payments and

1 another policy restricted employees from leaving the premise during rest periods. Geico
2 countered that there were no such restrictions in practice. The rest period claims would have
3 been harder to prove on a representative basis given that rest breaks were not recorded on the
4 time records.

5 28. Plaintiffs' claim for unpaid wages was based on a (1) forensic analysis of Geico's phone
6 records confirms unpaid work time in almost every pay period; (2) forensic analysis of Geico's
7 computer "log-in and log-out" records which showed that on occasion unpaid work time
8 existed. Analysis of Geico's security "badge swipe" records also confirm additional unpaid
9 work time in almost every pay period. Geico argued that it was the employees responsibility
10 to accurate document all time worked and that Geico paid for all time reported on the time
11 records.

12 29. The remaining claims are largely derivative, in that Wage Statement and Labor Code § 203
13 penalties would only be permissible if the above claims are proven. Plaintiffs had also alleged
14 violations for failure to reimburse business expenses pursuant to Labor Code § 2802. However,
15 it appeared Geico had compliant reimbursement policies and any un-reimbursed expenses
16 would have been very minimal.

17 30. Prior to settlement, Plaintiffs and retained experts conducted a thorough expert analysis of the
18 documents and data produced by Defendant. This included an analysis of all relevant written
19 policies and *all* time and wage records and phone records, computer log records and emails for
20 other putative aggrieved employees). Given the expert report Plaintiffs' Counsel were able to
21 realistically assess the value of Plaintiffs' claims, and intelligently engage Defense Counsel in
22 settlement discussions that culminated in the proposed settlement now before the Court.
23 Plaintiffs expert calculated the estimated maximum scope of liability as being between
24 **\$12,000,000.00** and **\$13,000,000.00**.

25 31. Plaintiffs' counsel is aware of the Court's discretion to mitigate penalties pursuant to
26 California Labor Code section 2699(e)(2). To confirm, Plaintiffs' counsel experienced the
27 mitigation of "PAGA" penalties in *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504.
28 In *Carrington*, Judge Bacal significantly mitigated PAGA penalties (\$5 per violation), due to

1 the efforts made by the employer to comply with the law. Moreover, most trial Courts,
2 including *this* Trial Court, in the *Carrington* matter, have declined to “stack” PAGA penalties.
3 “Stacking” refers to imposing multiple penalties for one alleged “harm.” *E.g.* one single late
4 meal period could arguably violate at least four Labor Code provisions that allow for a penalty
5 pursuant to PAGA.

6 32. Plaintiffs’ counsel agrees that penalties *should* be mitigated where violations are minimal (or
7 rare), or where the employer makes significant efforts to comply with the Labor Code.

8 33. Here, on the above, (including expert analysis completed by Plaintiffs’ counsel) it was
9 determined that Defendant’s timekeeping policies and employee records were not in
10 compliance with California law. However, these investigations also revealed that the “rate of
11 violation” by Defendant was significantly less than 100%. On many of those occasions, it
12 appears that Defendant did, in fact, comply with the law.

13 34. Based on all factors in this case and the experience of counsel it is the opinion of Plaintiffs’
14 counsel that the settlement fair, adequate, and reasonable. Specifically, Plaintiffs’ counsel’s
15 understanding is that Defendant has agreed to review its policies and practices, and amend
16 them to the extent they do not comply with California law.

17 35. Plaintiffs have uploaded this entire motion to the LWDA, concurrent with the filing. (See the
18 concurrently submitted Proof of Service on the LWDA.) To date, Plaintiffs have not received
19 a response from the LWDA regarding the proposed settlement. If the LWDA contacts
20 Plaintiffs’ counsel at any time prior to the hearing, Plaintiffs’ counsel will provide an updated
21 declaration to the Court.

22 36. The parties proposed notice to accompany the settlement checks is attached as an Exhibit to
23 the Settlement Agreement (**Exhibit F**).

24 37. The named Plaintiff MICHAEL HERZOG contributed extensive time and resources in the
25 prosecution of this cases. Plaintiff was able to provide information instrumental to the
26 prosecution of this matter including identifying numerous witnesses that could corroborate the
27 claims. Plaintiff also assisted with reviewing and providing insight on Defendant's documents
28 produced. Plaintiff brought to our attention numerous Labor Code violations that formed the

basis of the litigation sad assisted counsel with finalizing the settlement.

38. I know (from experience) that any company who does a detailed background check, will be able to determine that Plaintiffs are serving as PAGA and/or class representatives in a lawsuit against their former employer.

39. An entire industry exists that allows employers to run extensive background searches on potential employees. Companies who provide these services specifically highlight the fact that their services allows employers to weed out litigious employment candidates. One such service outlines ways that employers can "get a sense of whether a prospective employee is likely to sue" the employer, through background checks and other means, to screen out these employees. www.reliableplant.com/Read/6959/a-solution-to-fear-of-hiring-litigious-employees. Onicra Credit Rating Agency of India states: "Background screening has become a necessity in today's litigious society." Back Track Screening also represents: "In today's litigious culture, employers simply cannot afford to hire employees who will put their company at risk." <http://www.btscreening.com/wp-content/uploads/2012/09/Screening-101.pdf>.

40. Finally, any employer may simply check the various Superior Court of California websites and conduct a party name search to uncover whether an applicant has previously filed litigation against their employer.

41. Plaintiff also risked personally owing a large cost award, which I estimate would be well into the tens of thousands of dollars, had the claims been unsuccessful.

42. Despite all the risks, Plaintiff at all times remained committed to securing a monetary recovery on behalf of the entire group of aggrieved employees.

43. The attorneys in this JCCP proceeding and each of the respective Plaintiffs entered into a joint prosecution and attorney fee split agreement. The division of fees and costs is broken down in the proposed Order accompanying this motion.

44. Although some of the JCCP Complaints allege Class Action claims, the Class claims will be dismissed as part of this Settlement. (See Exhibit 1: ¶ 8). A separate Class Action settlement was reached with Geico, and approval of that separate settlement will be sought in the pending case entitled *Conrad Relej v. Government Employees Insurance Company Inc.*, in the Southern

1 District of California, with Case No. 3:21-cv-01751-L-MSB. In order to effectuate that separate
2 settlement, the parties submitted a stipulation and proposed order to *this* Court on January 2,
3 2025, to remove the *Reloj* claims from this JCCP proceeding and add the *Solis* PAGA claims.
4 The stipulation remains pending as of the time of this filing.
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7 I declare under penalty of perjury under the laws of the State of California that the foregoing
8 is true and correct. Executed this 15th day of January at San Diego, California.
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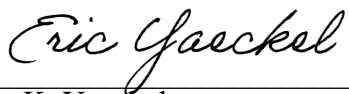
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12 Eric K. Yaeckel
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EXHIBIT 1

**PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND
RELEASE**

This Private Attorneys General Act Settlement Agreement and Release (“Settlement Agreement” or “Settlement”) is entered into by and between Plaintiffs Michael Herzog, Nonesto Mabini, Luis Yorba and Matthew Solis (collectively “Plaintiffs” or “PAGA Representatives”), for themselves and as representatives of the State of California with respect to the PAGA Settlement Employees (as defined in Section 3(a)(5) below) and Government Employees Insurance Company d/b/a GEICO (“GEICO”), subject to approval by the Court. The term “Party” or “Parties” as used herein shall refer to Plaintiffs, GEICO, or both, as may be appropriate.

1. **Recitals.** This Settlement Agreement is made with reference to the following facts:

(a) Plaintiffs are current and former employees of Defendant;

(b) On October 2, 2020 Sullivan & Yaeckel, APC (“Herzog’s Counsel”), submitted a letter on behalf of Mr. Herzog to the California Labor and Workforce Development Agency (“LWDA”) and GEICO (a copy of which is attached hereto as “**Exhibit A**”), to notify the LWDA and GEICO, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) of Mr. Herzog’s intent to seek civil penalties under PAGA for GEICO’s alleged violations with regard to Aggrieved Employees of California Labor Code sections 201, 202, 203, 226, 226(a), 226.7, 245, 246, 246.5, 432, 510, 512, 551, 558, 1194, 1197.1, 1198.5, and 2802 and Industrial Welfare Commission (“IWC”) Wage Order 4, codified as Title 8, California Code of Regulations, section 11040 *et seq.* (“Herzog PAGA Notice”);

(c) On December 8, 2020, Mr. Herzog filed his Complaint for penalties under to the Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* (the “Herzog PAGA Case”), commencing a representative action under PAGA against GEICO, asserting a single cause of action for civil penalties under PAGA, for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders; entitled *Michael Herzog v. Government Employees Insurance Company*, San Diego Superior Court, Superior Court Case No. 37-2020-00045064-CU-OE-CTL.

(d) On May 5, 2021 Rastegar Law Group (“Mabini’s Counsel”), submitted a letter on behalf of Mr. Mabini to LWDA and GEICO (a copy of which is attached hereto as “**Exhibit B**”), to notify the LWDA and GEICO, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) of Mr. Mabini’s intent to seek civil penalties under PAGA for GEICO’s alleged violations with regard to Aggrieved Employees of California Labor Code sections 201, 202, 203, 204, 208, 212, 213, 221, 226, 226.7, 227.3, 510, 511 512, 558, 1174, 1174.5, 1193.6, 1194, 1197, 1197.1, 1198, 1199 and 2802 and IWC Wage Orders 4-2001(4), 4-2001(7), 4-2001(11), 4-2001(12) (“Mabini PAGA Notice”);

(e) On December 13, 2021 Mabini’s Counsel, submitted an amended letter on behalf of Mr. Mabini to LWDA and GEICO (a copy of which is attached hereto as “**Exhibit C**”), to notify the LWDA and GEICO, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) of Mr. Mabini’s intent to seek civil penalties under PAGA for GEICO’s alleged violations with regard to Aggrieved

Employees of California Labor Code sections 203, 226, 226.7, 510, 512, 1174, 1174.5, 1194, and IWC Wage Orders 4-2001(7), 4-2001(11), 4-2001(12) (“Amended Mabini PAGA Notice”);

(f) On March 28, 2022, Mr. Mabini filed his Class Action Complaint and asserting a representative action under PAGA for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders; entitled *Nonesto Mabini v. Government Employees Insurance Company*, San Diego Superior Court, Superior Court Case No. 37-2022-00011726-CU-OE-CTL (“Mabini Case”).

(g) On November 27, 2023 Lavi & Ebrahimian, LLP (“Yorba and Solis’ Counsel”), submitted a letter on behalf of Mr. Yorba to LWDA and GEICO (a copy of which is attached hereto as “**Exhibit D**”), to notify the LWDA and GEICO, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) of Mr. Yorba’s intent to seek civil penalties under PAGA for GEICO’s alleged violations with regard to Aggrieved Employees of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1194, and 1197, and applicable IWC Wage Orders (“Yorba PAGA Notice”);

(h) On February 21, 2024, Mr. Yorba filed his Complaint for Civil Penalties Pursuant to the Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* (the “Yorba PAGA Case”), commencing a representative action under PAGA against GEICO, asserting a single cause of action for civil penalties under PAGA, for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders; entitled *Luis Yorba v. Government Employees Insurance Company*, San Diego Superior Court, Superior Court Case No. 37-2024-00008220-CU-OE-CTL.

(i) On March 4, 2024, Yorba and Solis’ Counsel submitted a letter on behalf of Mr. Solis to LWDA and GEICO (a copy of which is attached hereto as “**Exhibit E**”), to notify the LWDA and GEICO, pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) of Mr. Solis’ intent to seek civil penalties under PAGA for GEICO’s alleged violations with regard to Aggrieved Employees of California Labor Code sections 201, 202, 203, 204, 223, 226, 226.7, 510, 512, 1194, and 1197, and applicable IWC Wage Orders (“Yorba PAGA Notice”);

(j) On May 30, 2024, Mr. Solis filed his Complaint for Civil Penalties Pursuant to the Private Attorneys General Act of 2004, Labor Code §2698, *et seq.* (the “Solis PAGA Case”), commencing a representative action under PAGA against GEICO, asserting a single cause of action for civil penalties under PAGA, for violations of multiple provisions of the California Labor Code and applicable Industrial Welfare Commission Wage Orders; entitled *Matthew J. Solis v. Government Employees Insurance Company*, San Diego Superior Court, Superior Court Case No. 37-2024-00025248-CU-OE-CTL.

(k) On or about June 1, 2022, Hon. Katherine Bacal granted the Parties’ Stipulation to Coordinate Actions and Add-On Case. This order coordinated the Herzog PAGA Case, Mabini Case and a third matter entitled, *Conrad Reloj v. Government Employees Insurance Company*, Alameda Superior Court Case No. 21CV003563 (the “Reloj PAGA Case”), as Judicial Council Coordinated Proceeding, Case No. JCCP 5221 (“the Coordinated Action”);

(l) On or about April 11, 2024, Hon. Katherine Bacal granted GEICO's motion to add the Yorba PAGA Case to the Coordinated Action;

(m) On or about [REDACTED], 2025, Hon. Katherine Bacal granted the Parties' Stipulation to add the Solis PAGA Case to the Coordinated Action and remove the Reloj PAGA Case from the Coordinated Action;

(g) On September 16, 2024, the Parties mediated with Hunter Hughes, Esq. and, with the aid of the mediator's evaluation, the Parties ultimately reached the Settlement described herein to resolve Plaintiffs' PAGA claims, to dismiss Mabini's individual Class Action claims with prejudice, and to dismiss Mabini's non-individual Class Action claims without prejudice.

(h) There has been no determination on the merits of the Coordinated Action or the claims alleged in the Herzog PAGA Notice, Mabini PAGA Notice, Amended Mabini PAGA Notice, Yorba PAGA Notice, or Solis PAGA Notice or the Herzog PAGA Case, Mabini PAGA Case, Yorba PAGA Case or the Solis PAGA Case, but in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve Plaintiffs' claims.

2. **No Admission of Wrongdoing.** The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind.

3. **Consideration.**

(a) In consideration for Plaintiffs signing this Settlement Agreement and complying with its terms, GEICO shall pay the maximum gross sum of Five Million Two Hundred Fifty Thousand Dollars and Zero Cents (\$5,250,000.00) (the "Total Settlement Amount") to resolve the Coordinated Action and Released Plaintiffs' PAGA Claims (as defined herein) and Mabini's class claims, which will be paid as follows:

(1) Attorneys' fees in the amount of one third (1/3) of the Total Settlement Amount, which is estimated to be up to One Million Seven Hundred Fifty Thousand Dollars and Zero Cents (\$1,750,000.00), the final amount to be supported by evidence and determined at the time of court approval of the Settlement to Plaintiffs' Counsel. GEICO will not oppose Plaintiffs' request for attorneys' fees up to \$1,750,000.00.

(2) Actual litigation costs and expenses to be supported by evidence and determined at the time of court approval of the Settlement to Plaintiffs' Counsel.

(3) An enhancement payment of up to the amount of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) ("Enhancement Fee") each to the PAGA Representatives, which GEICO will not contest.

(4) Costs and expenses of administration of the Settlement up to the amount of actual settlement administration costs ("Settlement Administration Costs") to a mutually agreed upon Settlement Administrator, CAC Services Group, LLC, (the "PAGA Settlement Administrator").

(5) The amounts stated in Sections 3(a)(1) – 3(a)(4) above, once approved by the Court, shall be paid from the Total Settlement Amount. The balance remaining after these amounts are deducted from the Total Settlement is referred to as the “Net Settlement Amount.”

(6) Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA (“LWDA Payment”); and the remaining twenty-five percent (25%) will be distributed to the PAGA Settlement Employees. The PAGA Settlement Employees consist of all current and former non-exempt employees who worked in California during the PAGA Period, with the exception of non-exempt employees working as Auto Damage Adjusters (including similar roles with different titles). The period from October 2, 2019 through November 1, 2024 is the “PAGA Period.” The 25% portion of the Net Settlement Amount payable to PAGA Settlement Employees is referred to as the “PAGA Settlement Employees’ Portion.”

(b) The PAGA Settlement Employees are estimated to include 4,504 individuals who worked approximately 287,036 pay periods during the period from October 2, 2019 through July 1, 2024 (“Compensable Pay Periods”). If the actual number of Compensable Pay Periods during the period from October 2, 2019 through July 1, 2024, is more than ten percent (10%) above 287,036 (i.e., 315,740 or more pay periods), the Total Settlement Amount will be increased by the percentage that the actual number exceeds 315,740 Compensable Pay Periods.

(c) Because this is a settlement of PAGA claims for civil penalties only, no portion of the Settlement is allocated to unpaid wages. One Hundred Percent (100%) of the payments for Attorneys’ Fees and Costs, Enhancement Fees, and the Net Settlement Amount to be paid to the LWDA and PAGA Settlement Employees as described in Section 3(a) above will be treated and reported for tax purposes as non-wage payments and the PAGA Settlement Administrator will be responsible for issuing IRS Forms 1099 as required.

4. **Court Approval is Required.**

Plaintiffs understand and agree that the State of California and PAGA Settlement Employees, including Plaintiffs, would not receive the consideration specified in Section 3(a) above, except for Plaintiffs’ execution of this Settlement Agreement, and the fulfillment of the promises contained herein, as well as court approval of the Settlement. If this Settlement Agreement is not approved by the court, it shall be null and void.

5. **Disbursement of Settlement Funds.**

(a) Subject to Section 4 above, GEICO shall remit to the PAGA Settlement Administrator the sums described more fully in Section 3(a) above, within 30 business days after all of the following has occurred: (i) the Settlement Agreement is fully executed by all Parties and their counsel; (ii) the Court has entered an order approving the Settlement Agreement and (iii) the Court issues a Judgment in the Coordinated Proceeding.

(b) Upon complete distribution of the Total Settlement Amount by the PAGA Settlement Administrator in accordance with this Settlement Agreement, the PAGA Settlement Administrator will notify the Parties of distribution of the entire Total Settlement Amount.

6. Approval and Implementation of the PAGA Settlement.

(a) The Parties are aware that some courts have approved a PAGA settlement and entered an order approving the settlement and judgment and thereafter closed the case, while others have approved a PAGA settlement and entered only an order approving the settlement with later instructions to file a request for dismissal of the action. The Parties agree to cooperate and take any and all steps required by the court in the Coordinated Action to implement the settlement and terminate the Coordinated Action pursuant to settlement (i.e., to terminate the Coordinated Action by way of judgment or dismissal).

(b) The Parties further agree to cooperate in the drafting and/or filing of any further documents and/or filings reasonably necessary to be prepared and/or filed, and to take all steps that may be requested by the court in order to obtain approval and implementation of this Settlement Agreement, and the payments described in Section 3(a) above.

(c) The Parties shall seek to obtain court approval of this Settlement Agreement by way of an unopposed motion to be filed by Plaintiffs' Counsel. Plaintiffs' Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to Kristin Walker-Probst, and Courtney C. Wenrick of Womble Bond Dickinson (US) LLP ("Defendants' Counsel") for review; Defendants' Counsel will be given an opportunity to comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable.

(d) The Parties expressly acknowledge that the court's approval of the Settlement Agreement is a condition precedent to any payments, releases, or dismissal of claims described in this Settlement Agreement. Therefore, the Parties further acknowledge that, should the court not grant approval of this Settlement Agreement and/or should the court refuse to grant judgment or dismissal of the Action and close the Action based on the Settlement, the entirety of this Settlement Agreement shall be null and void.

7. Payment of Total Settlement Amount / Notice to Recipients.

(a) Subject to court approval of this Settlement Agreement, payment of the sums described in Section 3(a) above shall be made by GEICO by transmitting the required sums to a qualified settlement account established by the PAGA Settlement Administrator for administration of this Settlement, within thirty (30) business days of the court's order granting approval of this Settlement Agreement. If the date by which payment by Defendants is due falls on a Saturday, Sunday or legal holiday in the State of California, then the due date shall be extended the next following day which is not a Saturday, Sunday or legal holiday in the State of California.

(b) Each PAGA Settlement Employee will be entitled to a *pro rata* share of 25% of the Net Settlement Amount (i.e., the PAGA Settlement Employee' Portion) based upon the number of pay periods they each worked during the PAGA Period, based on GEICO's payroll records, which will be calculated by the PAGA Settlement Administrator. Specifically, to calculate each PAGA Settlement Employee's share of the PAGA Settlement Employee' Portion ("Individual Settlement Share"), the PAGA Settlement Administrator shall: (i) for each PAGA Settlement Employee, divide the number of pay periods he or she individually worked during the PAGA Period by the total aggregate number of pay periods worked by all PAGA Settlement Employee during the PAGA Period, and then (ii) multiply this

amount by the PAGA Settlement Employees' Portion to arrive at each PAGA Settlement Employee's Individual Settlement Share.

(1) One Hundred Percent (100%) of all Individual Settlement Shares are designated as penalties and the PAGA Settlement Administrator will not undertake any deductions, withholding, or remittances for local, state, or federal taxes. PAGA Settlement Employee' Individual Settlement Shares will be reported on an IRS Form 1099, as required by the IRS.

(c) The PAGA Settlement Administrator shall distribute each Individual Settlement Share by way of check, along with a cover letter ("Cover Letter") agreed to by the Parties and approved by the court, in substantially the form attached hereto as "**Exhibit F**", in the following manner:

(1) No later than fourteen (14) calendar days after the Court's order granting approval of the Settlement, GEICO shall provide the PAGA Settlement Administrator with a list of all PAGA Settlement Employees (the "PAGA Settlement Employees List"), containing the following information for each PAGA Settlement Employee: (i) first and last name; (ii) last known address; (iii) last known telephone number; (iv) Social Security number; (v) Compensable Pay Periods; and (vi) pay periods worked during the PAGA Period.

(2) The PAGA Settlement Administrator shall conduct one (1) National Change of Address ("NCOA") search for all individuals identified on the PAGA Settlement Employees, and update addresses for PAGA Settlement Employees to the extent updated addresses are located through the NCOA search.

(3) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Settlement Employee List and Total Settlement Amount, the PAGA Settlement Administrator shall mail the agreed-upon Cover Letter and Individual Settlement Share checks (together, the "PAGA Settlement Package") to all PAGA Settlement Employees by first-class United States mail. For each PAGA Settlement Package that is returned undeliverable within thirty (30) calendar days of the initial mailing, the PAGA Settlement Administrator shall promptly attempt to locate an alternate, updated address for the PAGA Settlement Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.

(4) The Individual Settlement Share checks issued to PAGA Settlement Employee shall remain valid for ninety (90) calendar days, and thereafter, shall be canceled. Funds associated with canceled checks shall be transmitted to the State Controller's Office Unclaimed Property Division in the name of the PAGA Settlement Employee(s) at issue and in the amount of his or her respective Individual Settlement Share(s).

(d) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Settlement Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the LWDA Payment to the LWDA.

(e) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Settlement Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Attorneys' Fees and Costs to Plaintiffs' Counsel, unless instructed otherwise by Plaintiff's Counsel.

(f) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Settlement Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Enhancement Fees to Plaintiffs.

(g) No later than fourteen (14) calendar days after the PAGA Settlement Administrator receives the PAGA Settlement Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall transmit the Settlement Administration Costs to itself, only after the PAGA Settlement Packages have been mailed to all PAGA Settlement Employees.

8. Implementation of Global Settlement.

(a) Procedural Implementation. To implement a global settlement of the Coordinated Action, the Parties will take all necessary steps to obtain dismissal of Mabini's putative class claims (i.e., those class claims asserted in the Class Action) without prejudice, dismissal of Mabini's individual class claims with prejudice, and entry of an order approving settlement of the PAGA Claims and entry of dismissal and/or judgment as to the PAGA Claims (together, "Closing of Cases"). Following the full disbursement of the Total Settlement Amount as described, the Parties will work together with respect to seeking the Closing of Cases.

9. Release of PAGA Claims

(a) "Released PAGA Claims" means the claims to be released by the PAGA Settlement Employees, in exchange for the PAGA Settlement Employees' Portion of the Net Settlement Amount, which include all claims under state, federal, or local law, arising out of the claims expressly pleaded in the Coordinated Action and/or other provisions of law that could have been asserted based on the facts pleaded in the operative complaints in the Coordinated Action for civil penalties under PAGA predicated upon: (1) meal and rest break violations, (2) failure to pay meal and rest break premiums, (3) failure to pay minimum wage, (4) failure to pay overtime compensation, (5) failure to provide code compliant wage statement, (6) failure to timely pay wages during employment, (7) failure to pay all wages due at termination and (8) failure to reimburse business expenses.

10. Release and Waiver by Plaintiffs

Upon the date the court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiffs release any and all claims of any nature whatsoever, against GEICO and all related entities of GEICO, as well as all its respective employees, agents, insurers, attorneys, officers, directors, and related entities, whether known or unknown, including and not limited to those pertaining to her employment with GEICO, and, if applicable, the cessation thereof (collectively, "Plaintiffs' Released Individual Claims"). With respect to the release of Plaintiffs' Released Individual Claims in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE

RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to, upon the date the court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, settle fully and release Plaintiffs' Released Individual Claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

The sole exception to the above release shall be the claims asserted by Yorba in *Yorba v. Government Employees Insurance Company* pending in the Southern District of California as Case No. 3:24-cv-00031-GPC-VET, the claims asserted by Solis in *Solis v. Government Employees Insurance Company* pending in San Diego Superior Court Case No. 37-2024-00010288-CU-OE-CTL, and Mabini's claims as a class member in any other class action in which he is a class member.

11. **Governing Law and Interpretation.**

(a) This Settlement Agreement shall be governed and conformed in accordance with the laws of the State of California. Should any non-material provision of this Settlement Agreement be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable such provision immediately shall become null and void, leaving the remainder of this Settlement Agreement in full force and effect.

(b) In the event of a breach of any provision of this Settlement Agreement, any Party reserves the right to institute an action specifically to enforce any term or terms of this Settlement Agreement or seek damages for breach. In an action to enforce any term or terms of this Settlement Agreement or to seek damages for breach of this Settlement Agreement, the prevailing Party in that action shall be entitled to recover reasonable attorney's fees and costs from the non-prevailing Party.

12. **Amendment.** This Settlement Agreement may not be modified, altered or changed except in writing and signed by both Parties' counsel, wherein specific reference is made to this Settlement Agreement, subject to approval by the court.

13. **Miscellaneous.**

(a) The Parties agree to stay all proceedings and deadlines in the Coordinated Action, except such proceedings necessary to implement and complete the Settlement, pending approval of the Settlement.

(b) This Settlement Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically transmitted copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

(c) The section headings used in this Settlement Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

(d) This Settlement Agreement was the result of negotiations between the Parties and their respective counsel under the auspices of mediator Hunter Hughes, Esq. In the event of vagueness, ambiguity or uncertainty, this Settlement Agreement shall not be construed against the Party preparing it but shall be construed as if both Parties prepared it jointly.

(e) If Plaintiffs or GEICO fail to enforce this Settlement Agreement or to insist on performance of any term, that failure does not mean a waiver of that term or of the Settlement Agreement. The Settlement Agreement remains in full force and effect anyway.

HAVING ELECTED TO EXECUTE THIS SETTLEMENT AGREEMENT, TO FULFILL THE PROMISES, AND TO RECEIVE THE CONSIDERATION SET FORTH ABOVE, PLAINTIFFS AND GEICO, FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTER INTO THIS SETTLEMENT AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date set forth below:

Date: 1/14/2025, 2025

DocuSigned by:

836B5E006907403...

Michael Herzog
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Nonesto Mabini
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Luis Yorba
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Matthew Solis
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

-----signatures continue on next page-----

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Date: _____, 2025

Michael Herzog
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Nonesto Mabini
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: 01/07, 2025



Luis Yorba
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Matthew Solis
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

-----signatures continue on next page-----



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Date: _____, 2025

Michael Herzog
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: **January 6**, 2025


Nonesto Mabini
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Luis Yorba
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Matthew Solis
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

-----signatures continue on next page-----

Government Employees Insurance Company

Date: _____, 2025

Name: _____

Title: _____

Approved as to form and content.

SULLIVAN & YAECKEL LAW GROUP, APC

Date: _____, 2025

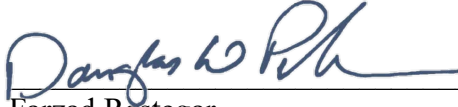
Eric Yaeckel

Ryan Kuhn

Attorneys for Plaintiff Michael Herzog

RASTEGAR LAW GROUP, APC

Date: January 13, 2025



Farzad Rastegar

Douglas W. Perlman

Attorneys for Plaintiff Nonesto Mabini

LAVI & EBRAHIMIAN, LLP

Date: _____, 2025

Joseph Lavi

Vincent C. Granberry

Cassandra A. Castro

Attorneys for Plaintiffs Luis Yorba and Matthew Solis

WOMBLE BOND DICKINSON (US) LLP

Date: _____, 2025

Kristin Walker-Probst

Courtney C. Wenrick

Attorneys for Defendant Government Employees Insurance Company d/b/a GEICO

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Date: _____, 2025

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Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Nonesto Mabini
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: _____, 2025

Luis Yorba
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

Date: 01/06/25, 2025



Matthew Solis
Individually and on Behalf of
the State of California with Respect to Aggrieved
Employees

-----signatures continue on next page-----

Government Employees Insurance Company

Date: _____, 2025

Name: _____

Title: _____

Approved as to form and content.

SULLIVAN & YAECKEL LAW GROUP, APC

Date: _____, 2025

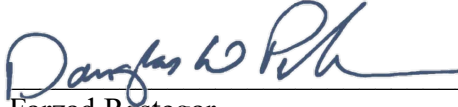
Eric Yaeckel

Ryan Kuhn

Attorneys for Plaintiff Michael Herzog

RASTEGAR LAW GROUP, APC

Date: January 13, 2025



Farzad Rastegar

Douglas W. Perlman

Attorneys for Plaintiff Nonesto Mabini

LAVI & EBRAHIMIAN, LLP

Date: _____, 2025

Joseph Lavi

Vincent C. Granberry

Cassandra A. Castro

Attorneys for Plaintiffs Luis Yorba and Matthew Solis

WOMBLE BOND DICKINSON (US) LLP

Date: _____, 2025

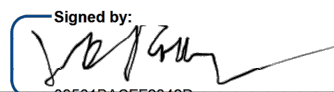
Kristin Walker-Probst

Courtney C. Wenrick

Attorneys for Defendant Government Employees Insurance Company d/b/a GEICO

Government Employees Insurance Company

Date: 1/10/2025, 2025

Signed by:


Name: Kenneth Robling

Title: Senior Director, Employment Litigation & Investigation

Approved as to form and content.

SULLIVAN & YAECKEL LAW GROUP, APC

Date: January 14, 2025, 2025



Eric Yaeckel

Ryan Kuhn

Attorneys for Plaintiff Michael Herzog

RASTEGAR LAW GROUP, APC

Date: _____, 2025

Farzad Rastegar

Douglas W. Perlman

Attorneys for Plaintiff Nonesto Mabini

LAVI & EBRAHIMIAN, LLP

Date: _____, 2025

Joseph Lavi

Vincent C. Granberry

Cassandra A. Castro

Attorneys for Plaintiffs Luis Yorba and Matthew Solis

WOMBLE BOND DICKINSON (US) LLP

Date: _____, 2025

Kristin Walker-Probst

Courtney C. Wenrick

Attorneys for Defendant Government Employees Insurance Company d/b/a GEICO

EXHIBIT A

SULLIVAN & YAECKEL

LAW GROUP

A PROFESSIONAL CORPORATION

2330 THIRD AVENUE
SAN DIEGO, CALIFORNIA 92101

PHONE 619-702-6760
FACSIMILE 619-702-6761

October 2, 2020

Labor and Workforce Development Agency
Attn. PAGA Administrator

Submitted Via Online Filing

Re: Michael Herzog v. Government Employees Insurance Company
Our File No.: 7216

Dear Administrator:

Please allow this correspondence to serve as “written notice,” as required by California Labor Code section 2699.3(a)(1), of the specific provisions of the California Labor Code believed to have been violated by Government Employees Insurance Company (hereinafter “GEICO”), in the above referenced matter. Thank you for your assistance on this matter.

This “written notice” is filed on behalf of Michael Herzog (hereinafter “Mr. Herzog”), and all non-exempt employees working for GEICO.

The specific provisions alleged to have been violated by GEICO are as follows:

CALIFORNIA LABOR CODE SECTIONS 201-203, 226, 226(a), 226.7, 246, 432, 510, 512, 558, 1194, 1197.1, 1198.5 and 2802, as well as IWC Wage Order 4, codified as Title 8, California Code of Regulations, section 11040 *et seq.*

Facts and theories supporting the allegations: Our client, Michael Herzog, worked as a non-exempt employee for GEICO from approximately March, 2013 through September, 2020.

Please Note: Mr. Herzog worked at the GEICO Corporate Office in Poway, CA, up and until Governor Newsome’s Executive Order stemming from the COVID-19 pandemic. From **March 20, 2020**, through the date of Mr. Herzog’s termination, he was required to work from home.

///

Throughout the term of Mr. Herzog's employment, GEICO required Mr. Herzog and all other non-exempt employees to experience actions illegal under the California Labor Code, including the following:

Minimum Wage and Overtime Violations

- GEICO failed to provide all compensation, including minimum wage and overtime compensation, as well as compensation for work performed inside of Meal and Rest periods, to its employees in violation of, *inter alia*, Labor Code sections 1194 and 510 and the IWC Wage Order 4. This illegal action is due, in part, to GEICO's policies of (1) failing to properly retain accurate Time Records, in violation of California law, and (2) failing to provide compensation (including both minimum and overtime compensation) for all time worked by the employees, or in control of the employer. For instance, GEICO would instruct Mr. Herzog to report his scheduled (as opposed to *actual*) work hours, resulting in a loss of compensation. Additionally, GEICO would often require Mr. Herzog to work extended hours (beyond his scheduled hours), without compensation. As a second example, Mr. Herzog would spend up to 15 minutes per day logging in to the GEICO system before he was able to "clock in." As this time (under which Mr. Herzog was under GEICO control) went unaccounted for, Mr. Herzog was not compensated for it.
- GEICO would often require Mr. Herzog to work within Meal and Rest Periods, and before and after hours, as evidenced on GEICO's computers, cell phones, and/or internal records, without providing compensation for such time.
- Finally, GEICO failed to properly calculate the legal Overtime Rate of Pay, by (among other issues) failing to consider certain non-discretionary forms of compensation (including, but not limited to non-discretionary bonuses) such as GEICO's company-wide, non-discretionary, profit-sharing bonuses. (See **Exhibit 1**; Mr. Herzog's "Payslip" dated 08/06/2020).

Failure to Provide Compliant Meal Periods

- GEICO failed to provide compliant meal periods or requisite meal period penalty payments, in violation of, *inter alia*, Labor Code sections 226.7, 512, and IWC Wage Order 4.
- GEICO does not possess a legal meal period policy, and makes no attempt to ensure that its employees are either timely or wholly provided meal periods. The employees would often either miss a meal period entirely, or be provided a short or untimely meal period. For example, GEICO would pressure its employees to either skip, or cut short, a meal period as employees were expected to respond to supervisors and

“customer calls.” Over the course of his employment, Mr. Herzog was instructed on numerous occasions to remain available during his meal periods.

- GEICO also retained control over its employees during Meal Periods. For example, GEICO would not allow its employees to “leave the premises” during meal periods, in case of sudden customer “phone” rushes. GEICO also required Mr. Herzog and other employees to remain “On Call” (*i.e.* monitor their cell phones) at all times, including during Meal Periods. Finally, GEICO has never provided a compliant meal period penalty payment to any employee on such occasions.

Failure to Provide Compliant Rest Periods

- GEICO failed to provide compliant rest periods or requisite rest period penalty payments, in violation of, inter alia, Labor Code sections 226.7, 512, and IWC Wage Order 4. These violations are due, in part, to the fact that GEICO does not possess a legal rest period policy or practice and makes no attempt to ensure that its employees are either timely or wholly provided rest periods. Moreover, the employees would often either miss a rest period entirely, be provided a short or untimely rest period, or be provided only one rest period. Furthermore, GEICO would pressure its employees to either skip, or cut short, a rest period as employees were expected to respond to supervisors at all times.
- GEICO also retained control over its employees, during Rest Periods. For example, GEICO’s practice did not allow its employees to “leave the premises,” and required them to remain “On Call” (*i.e.* monitor their cell phones) at all times. Finally, GEICO has never provided a compliant rest period penalty payment to any employee.

Wage Statement Violations

- GEICO violated Labor Code section 226(a)(1) by failing to furnish an accurate showing of the gross wages earned by its employees. For example, GEICO (a) would not provide compensation for all hours and minutes worked, (b) would use an improper (and lesser) Overtime Rate of Pay, and (c) would fail to pay Meal and/or Rest Period Penalties when due
- GEICO violated Labor Code section 226(a)(2) by failing to furnish an accurate showing of all hours worked at each hourly rate by the employee. Mr. Herzog and other employees were not compensated for all hours worked (due in part to GEICO’s requirement that employees list only *scheduled* work-times, not actual work-times.)

- GEICO violated Labor Code section 226(a)(5) by failing to furnish an accurate showing of the net wages earned by its employees. For example, GEICO (a) would not provide compensation for all hours and minutes worked, (b) would use an improper (and lesser) Overtime Rate of Pay, and (c) would fail to pay Meal and/or Rest Period Penalties when due. (See **Exhibit 1**).
- GEICO violated Labor Code section 226(a)(9) by failing to furnish an accurate showing of all applicable hourly rates, in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Failure to Provide Compliant Expense Reimbursement Payments

- GEICO failed to provide compliant expense reimbursement payments in violation of, *inter alia*, Labor Code section 2802, by failing to provide payments for expenses incurred by Mr. Herzog and other non-exempt employees. Specifically, Mr. Herzog worked from home (after the stay at home order issued on March 19, 2020) and was required to buy his own pens, pencils, stationary, desk, chair, and other necessary work-related expenses.

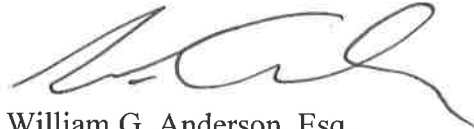
Willful Failure to Provide All Compensation to Ex-Employees

- GEICO failed to provide all compensation upon termination of employment in violation of Labor Code sections 201-203, due, in part, to the fact that GEICO failed to provide proper compensation for all hours worked, and failed to pay full Meal or Rest Period penalties, as discussed above.

To confirm, the GEICO entity is a "person" as defined within California Labor Code section 18.

Again, thank you for your assistance and instruction throughout this matter. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very Truly Yours,



William G. Anderson, Esq.

cc: Via Certified U.S. Mail

Government Employees Insurance Company
C/O CT Corporation System
Agent for Service of Process for Government Employees Insurance Company
818 West Seventh St.
Los Angeles, CA 90017

cc: Courtesy Copy and Filing Fee via U.S. Mail

Department of Industrial Relations
Accounting Unit
455 Golden Gate Ave, 10th Floor
San Francisco, CA 94102

Exhibit 1



Payslip: Michael Herzog: 07/31/2020
(Regular) - Complete

02:43 PM
09/01/2020
Page 1 of 2

Company Information		
Name	Address	Phone
Government Employees Insurance Company	One Geico Plaza Washington, DC 20076 United States of America	+1 (301) 986-3444

Payslip Information					
Name	Associate ID	Pay Period Begin	Pay Period End	Check Date	Check Number
Michael Herzog	165445	07/18/2020	07/31/2020	08/06/2020	

Current and YTD Totals		
Balance Period	Gross Pay	Net Pay
Current	2,135.17	1,510.00
YTD	47,167.70	32,024.14

Earnings						
Description	Dates	Hours	Rate	Amount	YTD Hours	YTD Amount
Additional Pay					0.00	350.00
Catastrophe Pay Per Diem					0.00	60.00
DRP Technology Stipend					0.00	240.00
Floating Holiday	07/25/2020 - 07/31/2020	2.75	27.05	74.39	10.50	284.03
Holiday Pay					31.00	838.56
Holiday Worked Incentive					6.333333	256.95
ICB Bonus					0.00	2,320.00
Overtime 1.5	07/18/2020 - 07/24/2020	0.333333	40.575	13.53	3.75	165.46
Paid Sick					53.00	1,433.68
Personal Leave	07/18/2020 - 07/24/2020	1.80	27.05	48.69	7.55	204.23
Prizes					0.00	10.00
Profit Sharing Payout					0.00	9,928.28
Regular Overtime					7.916667	214.23
Regular Pay	07/18/2020 - 07/31/2020	73.883333	27.05	1,998.56	1,071.55	28,985.53
State Mandated Sick Vacation					23.25	628.92
					46.50	1,257.83
Total:				2,135.17		47,177.70

Employee Taxes		
Description	Amount	YTD
OASDI	122.56	2,749.17
Medicare	28.66	642.95
Federal Withholding	64.39	3,721.11
State Tax - CA	3.01	1,215.84
CA SDI - CASDI	19.76	443.41
Total:	238.38	8,772.48

Pre-Tax Deductions		
Description	Amount	YTD
401(K)	213.52	3,588.76



Payslip: Michael Herzog: 07/31/2020
(Regular) - Complete

02:43 PM
09/01/2020
Page 2 of 2

Description	Amount	YTD
Delta Dental Standard	12.46	199.36
EyeMed Vision	8.37	133.92
Kaiser California - South	137.69	2,203.04
Total:	372.04	6,125.08

Post Tax Deductions

Description	Amount	YTD
Optional Life	14.75	236.00
United Way (San Diego County)		10.00
Total:	14.75	246.00

Employer Paid Benefits

Description	Amount	YTD
Associate Assistance Plan - ER	0.23	3.68
Basic LTD - ER	3.71	59.36
Delta Dental Standard - ER	29.06	464.96
Group Life ER	0.87	13.92
Kaiser CA South - ER	550.75	8,812.00
Total:	584.62	9,353.92

Taxable Wages

Description	Amount	YTD
OASDI - Taxable Wages	1,976.65	44,341.38
Medicare - Taxable Wages	1,976.65	44,341.38
Federal Withholding - Taxable Wages	1,763.13	40,752.62
State Tax Taxable Wages - CA	1,763.13	40,752.62

Withholding

Description	Federal	Work State
Marital Status	Married	Head of Household
Allowances	4	4
Additional Withholding	0	0

Absence Plans

Description	Accrued	Reduced	Available
Floating Holiday	0.00	2.75	12.75
Paid Sick	4.54	0.00	182.15
Vacation	4.47	0.00	156.68

Payment Information

Bank	Account Name	Account Number	Amount in Pay Group Currency	Pay Group Currency
Mission FCU	Mission FCU *****4671	*****4671	1,510.00	USD
Total:			1,510.00	

EXHIBIT B



22760 Hawthorne Boulevard, Suite 200
Torrance, California 90505
Telephone: (310) 961-9600
Facsimile: (310) 961-9094
Email: farzad@rastegarlawgroup.com
naydalli@rastegarlawgroup.com
rastegarlawgroup.com

May 5, 2021

Sent Via Certified U.S. Mail

C T CORPORATION SYSTEMS, Registered Agent
GOVERNMENT EMPLOYEES INSURANCE COMPANY
ONE GEICO PLAZA
WASHINGTON, DC 20076

RE: *Nonesto Mabini v. Government Employees Insurance Company*

To Whom It May Concern:

This letter is the written notice required by the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), California Labor Code Section 2698 *et seq.*, including without limitation California Labor Code Sections 2699.33 (a)(1), 2699.3(b)(1), and/or 2699.3(c)(1) of the California Labor Code, and any other applicable provision of statute, rule, or law. This letter is being sent simultaneously via online filing to the California Labor and Workforce Development Agency. This letter is an important formal legal notice which may lead to immediate action against you and your company in a court of law and in administrative proceedings, or both and the imposition of substantial penalties and other order and remedies against you and your company.

This office represents Mr. Nonesto Mabini, who is currently employed at Government Employees Insurance Company. We are investigating a potential class and representative action on behalf of current and former employees, who worked for Government Employees Insurance Company regarding the policy and practice of denying rest periods and meal periods to employees and the failure to make premium payments for denied rest periods and meal periods, in violation of IWC Wage Order 4-2001(11), IWC Wage Order 4-2001(12), Labor Code Section 226.7 and related claims; violation of Labor Code Section 226 that requires an employer to provide an itemized statement to employees in regard to their periodic pay periods; violation of Labor Code Section 512 that requires an employer to provide meal periods for its employees; violation of Labor Code Section 1197 that mandates the payment of

C T CORPORATION SYSTEMS, Registered Agent
GOVERNMENT EMPLOYEES INSURANCE COMPANY

May 5, 2021

Page 2

minimum wage; violation of Labor Code Section 510, 1194, and 1197 that allows an employee to recover the unpaid balance of full amount of minimum wage or overtime compensation; willful failure to pay discharged or quitting employees under Labor Code Section 203; failure to record and maintain records of employee time under IWC Wage Order 4-2001(7); and violation of Labor Code Sections 1174, 1174.5 and 226.

Mr. Nonesto Mabini, holds a position at Government Employees Insurance Company as an Auto Claim Adjuster for approximately four years. During that time, Government Employees Insurance Company ("GEICO") pressured its employees to complete an amount of work for which they were forced to report no more than 7.75 hours per day. (Furthermore, given that that Government Employees Insurance Company's policies state that it's employees are entitled to two 15-minute rest breaks, the actual reportable work time was no more than 7.25 hours). GEICO was well aware that employees such as Mr. Mabini would be unable to complete their assigned tasks in the allotted time, and would therefore be forced to work off the clock. As a result, Mr. Nonesto Mabini and other employees were required by GEICO's practices, and effectively, its policies, to work off the clock to complete the high volumes of work they were expected to complete.

Additionally, for substantially the same reasons, employees were forced to work through their allotted meal periods without being compensated, and were often not provided with timely meal periods, complete 30 minute meal periods, or uninterrupted meal periods.

Furthermore, GEICO required Mr. Mabini as well as its other employees working remotely to their home internet service for work related purposes. GEICO did not reimburse Mr. Mabini and its employees for any part of their internet expenses.

In summary, GEICO created a work environment that forced employees to record no more than 7.75 hours per day, knowing full well that they worked substantially in excess of that amount of time, which resulted in unpaid wages and overtime, as well as meal and rest break violations. GEICO failed to adhere to the applicable wage order and applicable California Labor Code provisions with regard to payment of wages and provision of meal and rest breaks.

Furthermore, given the meal period and rest period violations and failure to compensate employees fully, as set forth above, employee wage statements were inaccurate and failed to comply with California law.

This notice is hereby given to and is made against Government Employees Insurance Company, and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of

**C T CORPORATION SYSTEMS, Registered Agent
GOVERNMENT EMPLOYEES INSURANCE COMPANY**

May 5, 2021

Page 3

these alleged violations as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be employees of Government Employees Insurance Company, or any related or alter ego company, corporation, partnership, and/or business entity, at any time on or after a date four years prior to the date of this letter at any location within the State of California.

This notice shall apply without limitation to any past, present, future, or continuing violation of the California Labor Code or regulations thereunder which might be discovered because of reasonable and diligent investigation made pursuant to this notice.

Very truly yours,

Rastegar Law Group, APC

A handwritten signature in blue ink, appearing to read 'Farzad Rastegar', with a stylized flourish at the end.

Farzad Rastegar, Esq.

FR/nh

EXHIBIT C



22760 Hawthorne Boulevard, Suite 200
Torrance, California 90505
Telephone: (310) 961-9600
Facsimile: (310) 961-9094
Email: farzad@rastegarlawgroup.com
naydalli@rastegarlawgroup.com
rastegarlawgroup.com

December 13, 2021

Sent Via Certified U.S. Mail

C T Corporation Systems, Registered Agent
Government Employees Insurance Company
28 Liberty St
New York, NY 10005

Government Employees Insurance Company
5260 Western Avenue
Chevy Chase, MD 20815

Government Employees Insurance Company
One GEICO Plaza
Washington, District of Columbia 20076

Government Employees Insurance Company
14111 Danielson Street
Poway, California 92064

RE: Nonesto Mabini v. Government Employees Insurance Company

To Whom It May Concern:

This letter is the amended written notice required by the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), California Labor Code Section 2698 *et seq.*, including without limitation California Labor Code Sections 2699.33 (a)(1), 2699.3(b)(1), and/or 2699.3(c)(1) of the California Labor Code, and any other applicable provision of statute, rule, or law. This letter is being sent simultaneously via online filing to the California Labor and Workforce Development Agency. This letter is an important formal legal notice which may lead to immediate action against you and your company in a court of law and in administrative proceedings, or both and the

**C T Corporation Systems, Registered Agent
Government Employees Insurance Company
Government Employees Insurance Company
Government Employees Insurance Company**

December 13, 2021

Page 2

imposition of substantial penalties and other order and remedies against you and your company.

This office represents Mr. Nonesto Mabini, who is currently employed at Government Employees Insurance Company. We are investigating a potential class and representative action on behalf of current and former employees, who worked for Government Employees Insurance Company regarding the policy and practice of denying rest periods and meal periods to employees and the failure to make premium payments for denied rest periods and meal periods, in violation of IWC Wage Order 4-2001(11), IWC Wage Order 4-2001(12), Labor Code Section 226.7 and related claims; violation of Labor Code Section 226 that requires an employer to provide an itemized statement to employees in regard to their periodic pay periods; violation of Labor Code Section 512 that requires an employer to provide meal periods for its employees; violation of Labor Code Section 1197 that mandates the payment of minimum wage; violation of Labor Code Section 510, 1194, and 1197 that allows an employee to recover the unpaid balance of full amount of minimum wage or overtime compensation; willful failure to pay discharged or quitting employees under Labor Code Section 203; failure to record and maintain records of employee time under IWC Wage Order 4-2001(7); and violation of Labor Code Sections 1174, 1174.5 and 226.

Mr. Nonesto Mabini, holds a position at Government Employees Insurance Company as an Auto Claim Adjuster for approximately four years. During that time, Government Employees Insurance Company ("GEICO") pressured its employees to complete an amount of work for which they were forced to report no more than 7.75 hours per day. (Furthermore, given that that Government Employees Insurance Company's policies state that it's employees are entitled to two 15-minute rest breaks, the actual reportable work time was no more than 7.25 hours). GEICO was well aware that employees such as Mr. Mabini would be unable to complete their assigned tasks in the allotted time, and would therefore be forced to work off the clock. As a result, Mr. Nonesto Mabini and other employees were required by GEICO's practices, and effectively, its policies, to work off the clock to complete the high volumes of work they were expected to complete.

Additionally, for substantially the same reasons, employees were forced to work through their allotted meal periods without being compensated, and were often not provided with timely meal periods, complete 30-minute meal periods, or uninterrupted meal periods.

Furthermore, GEICO required Mr. Mabini as well as its other employees working remotely to use their home internet service for work related purposes. GEICO did not reimburse Mr. Mabini and its employees for any part of their internet expenses.

**C T Corporation Systems, Registered Agent
Government Employees Insurance Company
Government Employees Insurance Company
Government Employees Insurance Company**

December 13, 2021

Page 3

In summary, GEICO created a work environment that forced employees to record no more than 7.75 hours per day, knowing full well that they worked substantially in excess of that amount of time, which resulted in unpaid wages and overtime, as well as meal period and rest break violations. GEICO failed to adhere to the applicable wage order and applicable California Labor Code provisions with regard to payment of wages and provision of meal periods and rest breaks.

Furthermore, given the meal period and rest period violations and failure to compensate employees fully, as set forth above, employee wage statements were inaccurate and failed to comply with California law.

This notice is hereby given to and is made against Government Employees Insurance Company, and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of these alleged violations as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be employees of Government Employees Insurance Company, or any related or alter ego company, corporation, partnership, and/or business entity, at any time on or after a date four years prior to the date of this letter at any location within the State of California.

This notice shall apply without limitation to any past, present, future, or continuing violation of the California Labor Code or regulations thereunder which might be discovered because of reasonable and diligent investigation made pursuant to this notice.

Very truly yours,

Rastegar Law Group, APC

A handwritten signature in blue ink, appearing to read 'Farzad Rastegar', with a stylized flourish at the end.

Farzad Rastegar, Esq.

FR/nh

EXHIBIT D

LAW OFFICES OF
LAVI & EBRAHIMIAN, LLP
8889 W. OLYMPIC BLVD., SUITE 200
BEVERLY HILLS, CALIFORNIA 90211
TELEPHONE: (310) 432-0000
FACSIMILE: (310) 432-0001
WWW.LELAWFIRM.COM

November 27, 2023

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION 2699.3**

To: California Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Suite 801
Oakland, California 94612
Via Online Submission Only

<u>GOVERNMENT EMPLOYEES</u> <u>INSURANCE COMPANY</u> c/o C T Corporation System, Registered Agent 330 N Brand Blvd, Suite 700 Glendale, CA 91203 <u>Certified Mail Number: 7020 0640 0002 1068 2206</u>	<u>GOVERNMENT EMPLOYEES</u> <u>INSURANCE COMPANY</u> Attn.: Legal Department 1411 Danielson Street Poway, CA 92064 <u>Certified Mail Number: 7020 0640 0002 1068 2220</u>
---	---

From: LUIS YORBA, on behalf of himself and all other current and former aggrieved
California-based hourly non-exempt employees of GOVERNMENT EMPLOYEES
INSURANCE COMPANY.

c/o Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Colby A. Meagle, Esq.
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
cmeagle@lelawfirm.com
wht2@lelawfirm.com

My firm has been retained by aggrieved employee Luis Yorba concerning a representative
action pursuant to the Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*
("PAGA") against his employers, Government Employees Insurance Company.

We are filing this written notice with the Labor and Workforce Development Agency (“LWDA”) pursuant to the provisions of the California Labor Code Sections 2699, 2699.3, and 2698, *et seq.* The purpose of this letter is to inquire whether LWDA intends to investigate and seek civil penalties associated with my client’s allegations of violations of the Labor Code by his Employer. In addition to submitting this letter and the \$75.00 filing fee via the online PAGA filing system, I am causing a copy of this letter to be mailed to the Department of Industrial Relations – Accounting Unit.

FACTUAL STATEMENT AND THEORIES OF LABOR CODE VIOLATIONS

Aggrieved employee LUIS YORBA (“Employee”) was employed by GOVERNMENT EMPLOYEES INSURANCE COMPANY (“Defendants” or “Employers”) as an hourly non-exempt employee from in or around October 2022, to present.

1. Failure to Pay the Minimum Wage Rate of Pay for All Hours Worked

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees with compensation at the minimum wage rate of pay for all the hours that they worked in violation of Labor Code sections 1194 and 1197. Labor Code section 1197 provides, “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” Labor Code section 1194 states, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees all wages at the applicable minimum wage for all hours worked due to Employer’s policies, practices, and/or procedures including, but not limited to:

- Requiring Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA to set up their employer-provided computer system off the clock. The initial set up required, a HDMI adapter, a laptop, and a special VPN mechanism. You had to plug in all three devices, log into 3 different systems, and then were able to start work. This initial process of setting up a Employee’s and other current and former aggrieved California-based hourly non-exempt employees’ workstation took about 1 hour to complete.
- Each shift worked remotely, Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA were required to:
 - Boot up their computers;
 - Wait for their computers to load;

- o Once loaded, enter credentials to log into Employers' computer system;
 - o Request and wait to receive a 2-factor authentication code from the Employers' computer system on their personal cell phone using an application Employers required them to download;
 - o Once received, use biometric security features on their phones to access the code;
 - o Use the code to log into Employers' computer system;
 - o Once in Employers' computer system, they had to launch the timekeeping application and wait for it to load; and
 - o Log into the timekeeping application then clock in for the start of their shift.
- Employee estimates that he and other current and former aggrieved California-based hourly non-exempt employees spent five (5) to fifteen (15) minutes on the aforementioned boot-up process every shift worked remotely. Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time.
- "rounding" down or "shaving" Employee's and other current and former aggrieved California-based hourly non-exempt employees' total daily hours at the time of their clock-in and clock-out to the nearest quarter of an hour, to the benefit of Employers.

Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time resulting in Employer's failure to pay minimum wage for all the hours Employee and other current and former aggrieved California-based hourly non-exempt employees worked.

Employer's aforementioned policies, practices, and/or procedures resulted in time each day in which Employee and other current and former aggrieved California-based hourly non-exempt employees were subject to the control of Employer without being compensated for that time.

Based on these violations, Employee intends to seek civil penalties pursuant to the Private Attorneys General Act ("PAGA"), California Labor Code sections 2698, *et seq.*, and Labor Code section 1197.1, subdivisions (a)(1)-(2), on behalf of the Labor and Workforce Development Agency ("LWDA") against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to pay wages at a minimum wage rate for all hours worked, Employee will also seek statutory penalties under Labor Code section 226(a)(1) because the failure to pay such minimum wages for all hours worked rendered Employee's and other current and former aggrieved California-based hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(I).

2. Failure to Pay Overtime Wages for Overtime Hours Work

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees for the overtime hours that they worked at their overtime rate of pay.

Labor Code section 510, subdivision (a), states in relevant part:

“Eight hours of labor constitutes a day’s work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.”

Further, Labor Code section 1198 provides,

The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.

Labor Code section 1194 provides, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees overtime wages for overtime hours worked due to Employer’s policies, practices, and/or procedures including, but not limited to:

- Requiring Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA to set up their employer-provided computer system off the clock. The initial set up required, a HDMI adapter, a laptop, and a special VPN mechanism. You had to plug in all three devices, log into 3 different systems, and then were able to start work. This initial process of setting up a Employee and other current and former aggrieved California-based hourly non-exempt employees’ workstation took about 1 hour to complete.
- Each shift worked remotely, Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA were required to:
 - Boot up their computers;
 - Wait for their computers to load;

- o Once loaded, enter credentials to log into Employers' computer system;
 - o Request and wait to receive a 2-factor authentication code from the Employers' computer system on their personal cell phone using an application Employers required them to download;
 - o Once received, use biometric security features on their phones to access the code;
 - o Use the code to log into Employers' computer system;
 - o Once in Employers' computer system, they had to launch the timekeeping application and wait for it to load; and
 - o Log into the timekeeping application then clock in for the start of their shift.
- Employee estimates that he and other current and former aggrieved California-based hourly non-exempt employees spent five (5) to fifteen (15) minutes on the aforementioned boot-up process every shift worked remotely. Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time.
- "rounding" down or "shaving" Employee's and other current and former aggrieved California-based hourly non-exempt employees' total daily hours at the time of their clock-in and clock-out to the nearest quarter of an hour, to the benefit of Employers.

Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time resulting in Employers' failure to pay minimum wage for all the hours Employee and other current and former aggrieved California-based hourly non-exempt employees worked.

Employer's aforementioned policies, practices, and/or procedures resulted in time each day in which Employee and other current and former aggrieved California-based hourly non-exempt employees were subject to the control of Employer without being compensated for that time. To the extent that the foregoing unpaid time resulted from Employee and other current and former aggrieved California-based hourly non-exempt employees being subject to the control of Employer when they worked more than eight (8) hours in a workday, more than forty (40) hours in a workweek, and/or seven days in a workweek, Employer failed to pay them at their overtime rate of pay for all the overtime hours they worked.

Employer's foregoing policies, practices, and/or procedures resulted in Employer failing to pay Employee and other current and former aggrieved California-based hourly non-exempt employees at their overtime rate of pay for all overtime hours worked, in violation of Labor Code sections 510, 1194, 1198, and the Wage Order.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, and 558, subdivisions (a)(1)-(2) on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to pay overtime wages for overtime hours worked, Employee will seek statutory penalties under Labor Code 226(a)(1) because the failure to pay such overtime wages rendered Employee's and other current and former aggrieved, California-based,

hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

3. *Failure to Authorize or Permit Meal Periods in Violation of Labor Code Sections 512 and 226.7 and/or Failure to Pay Meal Period Premiums*

Employee alleges that during his employment, Employer failed to authorize or permit all legally required and compliant meal periods and/or pay meal period premiums. California law requires an employer to provide an employee an uninterrupted meal period of no less than thirty (30) minutes in which the employee is relieved of all duties and the employer relinquishes control over the employee's activities prior to the employee's sixth hour of work. Labor Code §§226.7, 512; Wage Order 4, §11; *Brinker Rest. Corp. v. Super Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004. An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second such meal period of not less than thirty (30) minutes prior to the start of the eleventh hour of work. *Id.* If the employer requires the employee to remain at the work site or facility during the meal period, the meal period must be paid. This is true even where the employee is relieved of all work duties during the meal period. *Bono Enterprises, Inc. v. Bradshaw* (1995) 32 Cal.App.4th 968. If an employer fails to provide an employee a meal period in accordance with the law, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay for each workday that a legally required and compliant meal period was not provided. Labor Code §226.7; Wage Order 4, §11.

Employee alleges that Employer failed to authorize or permit him and other current and former aggrieved California-based hourly non-exempt employees to take all legally required and compliant meal periods due to Employer's policies, practices, and/or procedures including, but not limited to, the following:

- Failing on occasions when meal break premium wages were paid, to include all remuneration including, but not limited to, shift differential pay in the regular rate of pay for the purposes of calculating and paying meal break premium wages.

Additionally, Employee alleges that Employer maintained a policy, practice, and/or procedure whereby they failed to pay Employee and other current and former aggrieved California-based hourly non-exempt employees a meal period premium wage of one (1) additional hour of pay at their regular rate of compensation for each workday that they did not receive all legally required and compliant meal periods, in violation of Labor Code section 226.7 and Wage Order 4 at § 11.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to authorize or permit all legally required and compliant meal periods and/or failure to pay meal period premium wages, Employee will seek statutory penalties under Labor Code section

226(a)(1) because the failure to pay meal period premiums and/or pay meal period premiums rendered Employee's and other current and former aggrieved California-based hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

4. *Failure to Authorize or Permit Rest Periods in Violation of Labor Code Section 226.7 and/or Failure to Pay Rest Period Premiums*

Employee alleges that during his employment, Employer failed to authorize or permit all legally required and compliant rest periods and/or failed to pay rest period premiums. California law requires that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof..." Wage Order 4, § 12. "Employees are entitled to 10 minutes' rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." *Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Labor Code §226.7. Additionally, the rest period requirement "obligates Employer to permit – and authorizes employees to take – off-duty rest periods." *Augustus v. ABM Security Services, Inc.* (2016) 5 Cal.5th 257, 269. That is, during rest periods an employer must relieve employees of all duties and relinquish control over how employees spend their time. *Id.* If the employer fails to authorize or permit a required rest period, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay for each workday the employer did not authorize or permit a legally required rest period. Labor Code section 226.7; Wage Order 4 at § 12.

Employee alleges that Employer failed to authorize or permit him and other current and former aggrieved California-based hourly non-exempt employees to take all legally required and compliant rest periods due to Employer's policies, practices, and/or procedures including, but not limited to, the following:

- Failing on occasions when meal break premium wages were paid, to include all remuneration including, but not limited to, shift differential pay in the regular rate of pay for the purposes of calculating and paying rest break premium wages.

Additionally, Employee alleges that Employer maintained a policy, practice, and/or procedure whereby they failed to pay Employee and other current and former aggrieved California-based hourly non-exempt employees a rest period premium wage of one (1) additional hour of pay at their regular rate of compensation for each workday that they did not receive all legally required and compliant rest periods, in violation of Labor Code section 226.7 and Wage Order 4 at § 12.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to authorize or permit all legally required and compliant rest periods and/or failure to pay rest period premium wages, Employee will seek statutory penalties under Labor Code section 226(a)(1) because the failure to pay rest period premiums and/or pay rest period premiums

rendered Employee's and other current and former aggrieved California-based hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

5. *Failure to Timely Pay Earned Wages During Employment in Violation of Labor Code Section 204*

Employee alleges that during his employment, Employer failed to timely pay Employee's and other current and former aggrieved California-based hourly non-exempt employees' earned wages. In California, wages must be paid at least twice during each calendar month on days designated in advance by the employer as regular paydays, subject to some exceptions. Labor Code §204(a). Wages earned between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7) calendar days following the close of the payroll period in which wages were earned. Labor Code §204(d).

As a derivative of Employee's claims above, Employee alleges that Employer failed to timely pay him and other current and former aggrieved California-based hourly non-exempt employees' earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages), in violation of Labor Code section 204. Employer's aforementioned policies, practices, and/or procedures resulted in Employer failing to pay Employee and other current and former aggrieved California-based hourly non-exempt employees their earned wages within the applicable time frames outlined in Labor Code 204.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California.

6. *Failure to Provide Accurate Wage Statements*

Labor Code section 226(a) states that "[a]n employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee...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 only the last four digits of his or her social security number or an employee identification number other than a 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...."

Employee alleges that as a derivative of Employee's claims above, Employer failed to provide accurate wage and hour statements to Employee and other current and former aggrieved California-based hourly non-exempt employees who were subject to Employer's control for

uncompensated time and who did not receive all their earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages), in violation of Labor Code section 226.

Based on these violations, Employee will seek civil penalties under Labor Code section 226.3, and PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA, against Employer if authorized to file a representative action on behalf of the State of California.

7. *Failure to Timely Pay Final Wages*

Labor Code section 201(a) states that “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code section 202(a) continues, “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter....” Finally, Labor Code section 203(a) provides, “[i]f an employer willfully fails to pay...any wages of an employee who is discharged or who quits, 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 therefor is commenced; but the wages shall not continue for more than 30 days....”

As a result of the aforementioned violations of the Labor Code, Employee alleges that he was not paid his final wages in a timely manner as required by Labor Code section 203. Earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages) (all described above), were not paid at the time of Employee’s separation of employment. Employee is informed and believes and thereon alleges that former aggrieved California-based hourly non-exempt employees who separated from Employer, whether voluntarily or involuntarily, were not paid all wages due in a timely manner, as required by Labor Code sections 201, 202, and 203.

Based on these violations, Employee will seek civil penalties under PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA, against Employer if authorized to file a representative action on behalf of the State of California.

8. *Employer’s Other Violations of the California Labor Code*

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 (“*Huff*”), as an aggrieved employee, Employee has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against the employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Employee, as an “aggrieved” employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

CONCLUSION

My client intends to file a representative action pursuant to PAGA concerning his wage claims as warranted by Employer's violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and the IWC Wage Orders. This letter is being sent to you as an inquiry into whether LWDA wishes to investigate my client's claims for civil penalties associated with Employer's violations of the Labor Code, as alleged herein. Thank you for your assistance and cooperation in this matter. If you have any questions or concerns, please contact me at the above-listed information.

Very truly yours,

LAVI & EBRAHIMIAN, LLP

A handwritten signature in black ink, reading "Vincent C. Granberry". The signature is written in a cursive, flowing style.

Vincent C. Granberry, esq.

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JL/VG/CAM/VE/WHZ: PAGA LETTER
YORBA V. GEICO (PAGA)

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 INSURANCE COMPANY**
 Attn.: Legal Department
 1411 Danielson Street
 Poway, CA 92064

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JL/VB/CAM/VE/WH12: PAGA LETTER
TORBA V. BEICO (PAGA)

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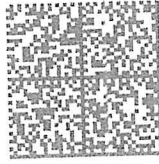
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EXHIBIT E

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March 4, 2024

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION 2699.3**

To: California Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Suite 801
Oakland, California 94612
Via Online Submission Only

<u>GOVERNMENT EMPLOYEES INSURANCE COMPANY</u> c/o C T Corporation System, Registered Agent 330 N Brand Blvd, Suite 700 Glendale, CA 91203 <u>Certified Mail Number: 7022 3330 0002 1393 4062</u>	<u>GOVERNMENT EMPLOYEES INSURANCE COMPANY</u> Attn.: Legal Department 1411 Danielson Street Poway, CA 92064 <u>Certified Mail Number: 7022 3330 0002 1393 4055</u>
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From: MATTHEW J. SOLIS, on behalf of himself and all other current and former aggrieved
California-based hourly non-exempt employees of GOVERNMENT EMPLOYEES
INSURANCE COMPANY.

c/o Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Colby A. Meagle, Esq.
Cassandra A. Castro, Esq.
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
cmeagle@lelawfirm.com
ccastro@lelawfirm.com

My firm has been retained by aggrieved employee Matthew J. Solis concerning a
representative action pursuant to the Private Attorneys General Act of 2004, Labor Code sections
2698, *et seq.* ("PAGA") against his employers, Government Employees Insurance Company.

We are filing this written notice with the Labor and Workforce Development Agency (“LWDA”) pursuant to the provisions of the California Labor Code Sections 2699, 2699.3, and 2698, *et seq.* The purpose of this letter is to inquire whether LWDA intends to investigate and seek civil penalties associated with my client’s allegations of violations of the Labor Code by his Employer. In addition to submitting this letter and the \$75.00 filing fee via the online PAGA filing system, I am causing a copy of this letter to be mailed to the Department of Industrial Relations – Accounting Unit.

FACTUAL STATEMENT AND THEORIES OF LABOR CODE VIOLATIONS

Aggrieved employee MATTHEW J. SOLIS (“Employee”) was employed by GOVERNMENT EMPLOYEES INSURANCE COMPANY (“Defendants” or “Employers”) as an hourly non-exempt employee from in or around December 2022 to April 27, 2023.

1. Failure to Pay the Minimum Wage Rate of Pay for All Hours Worked

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees with compensation at the minimum wage rate of pay for all the hours that they worked in violation of Labor Code sections 1194 and 1197. Labor Code section 1197 provides, “The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful.” Labor Code section 1194 states, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees all wages at the applicable minimum wage for all hours worked due to Employer’s policies, practices, and/or procedures including, but not limited to:

- Requiring Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA to set up their employer-provided computer system off the clock. The initial set up required, a HDMI adapter, a laptop, and a special VPN mechanism. You had to plug in all three devices, log into 3 different systems, and then were able to start work. This initial process of setting up a Employee’s and other current and former aggrieved California-based hourly non-exempt employees’ workstation took about 1 hour to complete.
- Each shift worked remotely, Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA were required to:
 - Boot up their computers;

- o Wait for their computers to load;
 - o Once loaded, enter credentials to log into Employers' computer system;
 - o Request and wait to receive a 2-factor authentication code from the Employers' computer system on their personal cell phone using an application Employers required them to download;
 - o Once received, use biometric security features on their phones to access the code;
 - o Use the code to log into Employers' computer system;
 - o Once in Employers' computer system, they had to launch the timekeeping application and wait for it to load; and
 - o Log into the timekeeping application then clock in for the start of their shift.
- Employee estimates that he and other current and former aggrieved California-based hourly non-exempt employees spent five (5) to fifteen (15) minutes on the aforementioned boot-up process every shift worked remotely. Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time.

Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time resulting in Employer's failure to pay minimum wage for all the hours Employee and other current and former aggrieved California-based hourly non-exempt employees worked.

Employer's aforementioned policies, practices, and/or procedures resulted in time each day in which Employee and other current and former aggrieved California-based hourly non-exempt employees were subject to the control of Employer without being compensated for that time.

Based on these violations, Employee intends to seek civil penalties pursuant to the Private Attorneys General Act ("PAGA"), California Labor Code sections 2698, *et seq.*, and Labor Code section 1197.1, subdivisions (a)(1)-(2), on behalf of the Labor and Workforce Development Agency ("LWDA") against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to pay wages at a minimum wage rate for all hours worked, Employee will also seek statutory penalties under Labor Code section 226(a)(1) because the failure to pay such minimum wages for all hours worked rendered Employee's and other current and former aggrieved California-based hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(I).

2. Failure to Pay Overtime Wages for Overtime Hours Work

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees for the overtime hours that they worked at their overtime rate of pay.

Labor Code section 510, subdivision (a), states in relevant part:

“Eight hours of labor constitutes a day’s work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.”

Further, Labor Code section 1198 provides,

The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.

Labor Code section 1194 provides, “...any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.”

Employee alleges that during his employment, Employer failed to pay him and other current and former aggrieved California-based hourly non-exempt employees overtime wages for overtime hours worked due to Employer’s policies, practices, and/or procedures including, but not limited to:

- Requiring Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA to set up their employer-provided computer system off the clock. The initial set up required, a HDMI adapter, a laptop, and a special VPN mechanism. You had to plug in all three devices, log into 3 different systems, and then were able to start work. This initial process of setting up a Employee and other current and former aggrieved California-based hourly non-exempt employees’ workstation took about 1 hour to complete.
- Each shift worked remotely, Employee and other current and former aggrieved California-based hourly non-exempt employees who worked remotely in CA were required to:
 - Boot up their computers;
 - Wait for their computers to load;
 - Once loaded, enter credentials to log into Employers’ computer system;
 - Request and wait to receive a 2-factor authentication code from the Employers’ computer system on their personal cell phone using an application Employers required them to download;
 - Once received, use biometric security features on their phones to access the code;

- o Use the code to log into Employers' computer system;
 - o Once in Employers' computer system, they had to launch the timekeeping application and wait for it to load; and
 - o Log into the timekeeping application then clock in for the start of their shift.
- Employee estimates that he and other current and former aggrieved California-based hourly non-exempt employees spent five (5) to fifteen (15) minutes on the aforementioned boot-up process every shift worked remotely. Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time.

Employee and other current and former aggrieved California-based hourly non-exempt employees were not paid for this time resulting in Employers' failure to pay minimum wage for all the hours Employee and other current and former aggrieved California-based hourly non-exempt employees worked.

Employer's aforementioned policies, practices, and/or procedures resulted in time each day in which Employee and other current and former aggrieved California-based hourly non-exempt employees were subject to the control of Employer without being compensated for that time. To the extent that the foregoing unpaid time resulted from Employee and other current and former aggrieved California-based hourly non-exempt employees being subject to the control of Employer when they worked more than eight (8) hours in a workday, more than forty (40) hours in a workweek, and/or seven days in a workweek, Employer failed to pay them at their overtime rate of pay for all the overtime hours they worked.

Employer's foregoing policies, practices, and/or procedures resulted in Employer failing to pay Employee and other current and former aggrieved California-based hourly non-exempt employees at their overtime rate of pay for all overtime hours worked, in violation of Labor Code sections 510, 1194, 1198, and the Wage Order.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, and 558, subdivisions (a)(1)-(2) on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to pay overtime wages for overtime hours worked, Employee will seek statutory penalties under Labor Code 226(a)(1) because the failure to pay such overtime wages rendered Employee's and other current and former aggrieved, California-based, hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

3. *Failure to Authorize or Permit Meal Periods in Violation of Labor Code Sections 512 and 226.7 and/or Failure to Pay Meal Period Premiums*

Employee alleges that during his employment, Employer failed to authorize or permit all legally required and compliant meal periods and/or pay meal period premiums. California law

requires an employer to provide an employee an uninterrupted meal period of no less than thirty (30) minutes in which the employee is relieved of all duties and the employer relinquishes control over the employee's activities prior to the employee's sixth hour of work. Labor Code §§226.7, 512; Wage Order 4, §11; *Brinker Rest. Corp. v. Super Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004. An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second such meal period of not less than thirty (30) minutes prior to the start of the eleventh hour of work. *Id.* If the employer requires the employee to remain at the work site or facility during the meal period, the meal period must be paid. This is true even where the employee is relieved of all work duties during the meal period. *Bono Enterprises, Inc. v. Bradshaw* (1995) 32 Cal.App.4th 968. If an employer fails to provide an employee a meal period in accordance with the law, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay for each workday that a legally required and compliant meal period was not provided. Labor Code §226.7; Wage Order 4, §11.

Employee alleges that Employer failed to authorize or permit him and other current and former aggrieved California-based hourly non-exempt employees to take all legally required and compliant meal periods due to Employer's policies, practices, and/or procedures including, but not limited to, the following:

- Failing on occasions when meal break premium wages were paid, to include all remuneration including, but not limited to, shift differential pay in the regular rate of pay for the purposes of calculating and paying meal break premium wages.

Additionally, Employee alleges that Employer maintained a policy, practice, and/or procedure whereby they failed to pay Employee and other current and former aggrieved California-based hourly non-exempt employees a meal period premium wage of one (1) additional hour of pay at their regular rate of compensation for each workday that they did not receive all legally required and compliant meal periods, in violation of Labor Code section 226.7 and Wage Order 4 at § 11.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer's failure to authorize or permit all legally required and compliant meal periods and/or failure to pay meal period premium wages, Employee will seek statutory penalties under Labor Code section 226(a)(1) because the failure to pay meal period premiums and/or pay meal period premiums rendered Employee's and other current and former aggrieved California-based hourly non-exempt employees' pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

4. *Failure to Authorize or Permit Rest Periods in Violation of Labor Code Section 226.7 and/or Failure to Pay Rest Period Premiums*

Employee alleges that during his employment, Employer failed to authorize or permit all legally required and compliant rest periods and/or failed to pay rest period premiums. California

law requires that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof...” Wage Order 4, § 12. “Employees are entitled to 10 minutes’ rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on.” *Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Labor Code §226.7. Additionally, the rest period requirement “obligates Employer to permit – and authorizes employees to take – off-duty rest periods.” *Augustus v. ABM Security Services, Inc.* (2016) 5 Cal.5th 257, 269. That is, during rest periods an employer must relieve employees of all duties and relinquish control over how employees spend their time. *Id.* If the employer fails to authorize or permit a required rest period, the employer must pay the employee one (1) hour of pay at the employee’s regular rate of pay for each workday the employer did not authorize or permit a legally required rest period. Labor Code section 226.7; Wage Order 4 at § 12.

Employee alleges that Employer failed to authorize or permit him and other current and former aggrieved California-based hourly non-exempt employees to take all legally required and compliant rest periods due to Employer’s policies, practices, and/or procedures including, but not limited to, the following:

- Failing on occasions when meal break premium wages were paid, to include all remuneration including, but not limited to, shift differential pay in the regular rate of pay for the purposes of calculating and paying rest break premium wages.

Additionally, Employee alleges that Employer maintained a policy, practice, and/or procedure whereby they failed to pay Employee and other current and former aggrieved California-based hourly non-exempt employees a rest period premium wage of one (1) additional hour of pay at their regular rate of compensation for each workday that they did not receive all legally required and compliant rest periods, in violation of Labor Code section 226.7 and Wage Order 4 at § 12.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California. As a derivative claim of Employer’s failure to authorize or permit all legally required and compliant rest periods and/or failure to pay rest period premium wages, Employee will seek statutory penalties under Labor Code section 226(a)(1) because the failure to pay rest period premiums and/or pay rest period premiums rendered Employee’s and other current and former aggrieved California-based hourly non-exempt employees’ pay calculations inaccurate and in violation of Labor Code section 226(e)(2)(B)(i).

5. *Failure to Timely Pay Earned Wages During Employment in Violation of Labor Code Section 204*

Employee alleges that during his employment, Employer failed to timely pay Employee’s and other current and former aggrieved California-based hourly non-exempt employees’ earned wages. In California, wages must be paid at least twice during each calendar month on days designated in

advance by the employer as regular paydays, subject to some exceptions. Labor Code §204(a). Wages earned between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7) calendar days following the close of the payroll period in which wages were earned. Labor Code §204(d).

As a derivative of Employee's claims above, Employee alleges that Employer failed to timely pay him and other current and former aggrieved California-based hourly non-exempt employees' earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages), in violation of Labor Code section 204. Employer's aforementioned policies, practices, and/or procedures resulted in Employer failing to pay Employee and other current and former aggrieved California-based hourly non-exempt employees their earned wages within the applicable time frames outlined in Labor Code 204.

Based on these violations, Employee intends to seek civil penalties pursuant to PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA against Employer if authorized to file a representative action on behalf of the State of California.

6. Failure to Provide Accurate Wage Statements

Labor Code section 226(a) states that "[a]n employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee...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 only the last four digits of his or her social security number or an employee identification number other than a 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...."

Employee alleges that as a derivative of Employee's claims above, Employer failed to provide accurate wage and hour statements to Employee and other current and former aggrieved California-based hourly non-exempt employees who were subject to Employer's control for uncompensated time and who did not receive all their earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages), in violation of Labor Code section 226.

Based on these violations, Employee will seek civil penalties under Labor Code section 226.3, and PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA, against Employer if authorized to file a representative action on behalf of the State of California.

7. *Failure to Timely Pay Final Wages*

Labor Code section 201(a) states that “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code section 202(a) continues, “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter....” Finally, Labor Code section 203(a) provides, “[i]f an employer willfully fails to pay...any wages of an employee who is discharged or who quits, 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 therefor is commenced; but the wages shall not continue for more than 30 days....”

As a result of the aforementioned violations of the Labor Code, Employee alleges that he was not paid his final wages in a timely manner as required by Labor Code section 203. Earned wages (including minimum wages, overtime wages, meal period premium wages, and/or rest period premium wages) (all described above), were not paid at the time of Employee’s separation of employment. Employee is informed and believes and thereon alleges that former aggrieved California-based hourly non-exempt employees who separated from Employer, whether voluntarily or involuntarily, were not paid all wages due in a timely manner, as required by Labor Code sections 201, 202, and 203.

Based on these violations, Employee will seek civil penalties under PAGA, Labor Code sections 2698, *et seq.*, on behalf of LWDA, against Employer if authorized to file a representative action on behalf of the State of California.

8. *Employer’s Other Violations of the California Labor Code*

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 (“*Huff*”), as an aggrieved employee, Employee has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against the employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Employee, as an “aggrieved” employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

CONCLUSION

My client intends to file a representative action pursuant to PAGA concerning his wage claims as warranted by Employer’s violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, and the IWC Wage Orders. This letter is being sent to you as an inquiry into whether LWDA wishes to investigate my client's claims for civil penalties associated with Employer’s violations of the Labor Code, as alleged herein. Thank you for your assistance

Labor & Workforce Development Agency
Re: *Matthew J. Solis v. Government Employees Insurance Company*
March 4, 2024
Page 10 of 10

and cooperation in this matter. If you have any questions or concerns, please contact me at the above-listed information.

Very truly yours,

LAVI & EBRAHIMIAN, LLP

A handwritten signature in black ink, reading "Vincent C. Granberry". The signature is written in a cursive, flowing style with a large, stylized "V" at the beginning.

Vincent C. Granberry, esq.

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SOLIS V. GOVERNMENT employees
INSURANCE COMPANY (PAGA)

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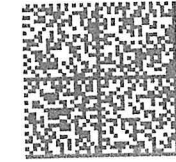
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SOLIS v. Government employees
insurance company (PAGA)

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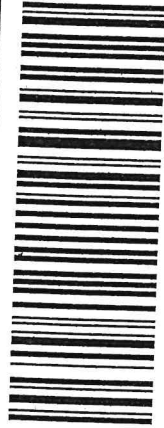
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EXHIBIT F

<<Mailing Date>>

To: <<First Name>><<Last Name>>
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Re: Settlement Payment from *Michael Herzog, et al. v. Government Employees Insurance Company d/b/a GEICO*, San Diego Superior Court Case No. JCCP 5221.

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual Settlement Share”). This check is your payment from the settlement in the lawsuit entitled *Herzog, et al. v. Government Employees Insurance Company d/b/a GEICO*, San Diego Superior Court Case No. JCCP 5221. (the “Action”).

A Complaint was filed on December 8, 2020 by Michael Herzog (“Herzog”) against his former employer, on behalf of the State of California with respect to himself and other aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, and failure to reimburse business expenses. Prior to filing the Action, on December 8, 2020, Herzog submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 226, 226(a), 226.7, 245, 246, 246.5, 432, 510, 512, 551, 558, 1194, 1197.1, 1198.5, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 4-2001, thereby initiating LWDA Case Number LWDA-CM-808572-20 (the “PAGA Notice”). Plaintiffs Nonesto Mabini, Luis Yorba and Matthew Solis also filed complaints against GEICO for PAGA violations, which were coordinated with Michael Herzog’s complaint in Case No JCCP 5221. Prior to filing their complaints Nonesto Mabini, Luis Yorba and Matthew Solis also submitted letters to LWDA, which were assigned LWDA Case Numbers LWDA-CM-831264-21, LWDA-CM-996342-23 and LWDA-CM-1014593-24, respectively. Collectively Michael Herzog, Nonesto Mabini, Luis Yorba and Matthew Solis shall be referred to as “Plaintiffs.”

GEICO denies all of Plaintiffs allegations and deny any wrongdoing of any kind associated with Plaintiffs’ allegations. A settlement was reached between Plaintiffs and Government Employees Insurance Company d/b/a GEICO (“GEICO”). On << Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all PAGA Settlement Employees. PAGA Settlement Employees consist of all current and former non-exempt employees who worked in California during the PAGA Period, with the exception of non-exempt employees working as Auto Damage Adjusters (including similar roles with different titles). The period from October 2, 2019 through November 1, 2024 is the “PAGA Period.”

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as a PAGA Settlement Employee. Your Individual Settlement Share is based on the total number of pay periods that you worked for GEICO in California during the PAGA Period. The Individual Settlement Share is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<Date of entry of order by the Court approving the Settlement>>, the PAGA Settlement Employees have fully released and forever discharged the following Released PAGA Claims:

“Released PAGA Claims” means the claims to be released by the PAGA Settlement Employees which include all claims under state, federal, or local law, arising out of the claims expressly pleaded in the PAGA Action and/or other provisions of law that could have been asserted based on the facts pleaded in the operative complaints in the PAGA Action for civil penalties under PAGA predicated upon: (1) meal and rest break violations, (2) failure to pay meal and rest break premiums, (3) failure to pay minimum wage, (4) failure to pay overtime compensation, (5) failure to provide code compliant wage statement, (6) failure to timely pay wages during employment, (7) failure to pay all wages due at termination and (8) failure to reimburse business expenses.

The enclosed check is valid for 90 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 90-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller’s Office Unclaimed Property Division in your name and in the amount of your respective Individual Settlement Share.

Do not call or write the Court, Office of the Clerk of the Court, Defendants, or Defendants’ counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [PAGA Settlement Administrator] at [toll-free phone number].

COVER LETTER

EXHIBIT 2

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			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/24- 5/31/25	1.080182	\$258	\$473	\$581	\$839	\$948	\$1141
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389

6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* $i_{\frac{1}{2}}$ Years Out of Law School $i_{\frac{1}{2}}$ is calculated from June 1 of each year, when most law students graduate. $i_{\frac{1}{2}}1-3$ " includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $i_{\frac{1}{2}}4-7$ " applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $i_{\frac{1}{2}}1-3$ " from June 1, 1996 until May 31, 1999, would move into tier $i_{\frac{1}{2}}4-7$ " on June 1, 1999, and tier $i_{\frac{1}{2}}8-10$ " on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT 3

Postage	\$28.65	
Hunter ADR LLC	\$5,592.50	
Copies	\$299.80	
One Legal	\$1,885.80	
Lisa Klerman	\$3,667.00	
JAMS	\$2,187.50	
Employment Research Corp	\$12,962.50	
Litigation Service	\$5,486.81	
ADR Service	\$5,850.00	
Veritext	\$1,449.85	
Superior Court	\$1.00	
Transportation	\$229.55	
LWDA	\$75.00	
Subtotal	\$39,715.96	1/9/2025
Totals	\$39,715.96	1/9/2025