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Attorney for Defendant WATTS LABOR COMMUNITY ACTION COMMITTEE

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

DONALD TAYLOR, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

WATTS LABOR COMMUNITY ACTION COMMITTEE,
a California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 21STCV04375

Assigned for all purposes to the Honorable
Holly J. Fujie, Department 56

PAGA SETTLEMENT AGREEMENT

Action Filed: January 29, 2021

FAC Filed: July 6, 2021

Trial Date: Not Set

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement is made by and between plaintiff Donald Taylor (“Plaintiff”), on behalf of himself and on behalf of the State of California and all Private Attorneys General Act (“PAGA”) Settlement Group Members, on the one hand, and defendant Watts Labor Community Action Committee, on behalf of themselves and all of their current and former owners, parents, subsidiaries, members, representatives, agents, insurers, officers, directors, and employees (“Defendant”), on the other hand (Plaintiff and Defendant are collectively referred herein as, the “Parties”, and individually as a “Party”), subject to the approval of the Court in accordance with California Labor Code section 2699(1)(2), upon and subject to the following terms and conditions.

I. DEFINITIONS

Unless otherwise defined herein, the following terms used in this Agreement shall have the meanings ascribed to them as set forth below:

- A.** “Action” means the civil action titled *Donald Taylor v. Watts Labor Community Action Committee*, Los Angeles Superior Court Case No.: 21STCV04375 (the “Action”), pending before Superior Court of the State of California, for the County of Los Angeles (the “Court”).
- B.** “Aggrieved Employee(s)” means all individuals employed by Defendant in California in any hourly non-exempt capacity at any time during the Covered Period.
- C.** “Agreement” or “PAGA Settlement” or “PAGA Settlement Agreement” means this PAGA Settlement Agreement.
- D.** “Complaint” means the First Amended Representative Action Complaint filed by Plaintiff on July 6, 2021, in the Action.
- E.** “Court” means the Superior Court of California, County of Los Angeles.
- F.** “Covered Period” means the period of time from January 27, 2020 through the Court’s approval of the PAGA Settlement Agreement.

- G.** “Defendant” means the Defendant in this Action, Watts Labor Community Action Committee (“Defendant” or “WLCAC”).
- H.** “Defendant’s Counsel” means Andrea F. Oxman and Brittney E. Willis of Jackson Lewis P.C.
- I.** “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement, (b) sixty-five days have passed since the Order Approving the PAGA Settlement, and (c) the Judgment is final. The Judgment is final as of the latest of the day the court enters Judgment.
- J.** “Gross Settlement Amount” means the total amount to be paid by Defendant as provided by this Agreement. The Gross Settlement Amount is THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS AND ZERO CENTS (\$365,000.00). The Gross Settlement Amount will cover (i) all Settlement Shares to PAGA Settlement Group Members, (ii) the LWDA Payment, (iii) the Plaintiff’s Counsel’s Fees and Expenses Payment (as defined below), and (v) the Settlement Administrator’s fees and expenses.
- K.** “Judgment” means the judgment entered by the Court based upon the Final Approval.
- L.** “LWDA” means the California Labor and Workforce Development Agency.
- M.** “LWDA Payment” means seventy-five percent (75%) of the Net Settlement, the portion of the payment from the Gross Settlement to be paid to the LWDA under Labor Code section 2699(i).
- N.** “Net Settlement” means the amount from the Gross Settlement that is available for distribution as Settlement Shares to PAGA Settlement Group Members and the LWDA Payment after deduction for (i) the Plaintiff’s Counsel Fees and Expenses Payment, and (ii) the Settlement Administrator’s fees and expenses. If any Settlement Share check is not timely cashed by a Settlement Group Member,

that share will be sent to the California State Controllers' Office Unclaimed Property Fund in the name of the Settlement Group Member.

O. "PAGA" means the Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*

P. "PAGA Settlement Notice" means a notice of proposed settlement pursuant to PAGA, substantially in the form evidenced by **Exhibit A** to this Agreement.

Q. "PAGA Released Claims" means any and all claims under PAGA that are pled in Plaintiff's Representative PAGA Action Complaint, or which could have been pled under the PAGA based on the factual allegations in Plaintiff's Representative Action PAGA Complaint, that arose during the Covered Period, including claims for civil penalties under PAGA for Defendant's alleged failure to pay for all time worked at correct rates of pay, including minimum wages, straight time wages, overtime compensation, and on account of alleged unlawful rounding; failure to provide meal periods and pay meal period premiums; failure to authorize and permit rest periods and pay rest period premiums; failure to timely pay wages during employment; failure to pay all wages due to discharged and quitting employees; failure to provide accurate itemized wage statements; failure to maintain accurate records; violations of California Labor Code §§ 201, 203, 204, 210, 225, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2699(f)(2), 2800, and 2802; interest; attorneys' fees, including attorneys' fees under California Code of Civil Procedure § 1021.5; costs, and all other claims and allegations for civil penalties under PAGA.

R. "PAGA Settlement Group Members" means all individuals employed by Defendant in California in any hourly non-exempt capacity at any time during the Covered Period.

S. "Plaintiff" means the Plaintiff in this Action, Donald Taylor.

T. "Plaintiff's Counsel" means Kane Moon and Lilit Ter-Astvatsatryan of Moon Law Group, PC.

1 U. “Released Parties” means Defendant and its past, present and future officers,
2 directors, employees, agents, board members, shareholders, attorneys, insurers,
3 reinsurers, customers, partners, investors, members, representatives,
4 predecessors, parent companies, subsidiaries, affiliates, divisions, successors,
5 agents, and principals, and their heirs, estates, executors, administrators, servants,
6 insurers, attorneys, and assigns and any individual or entity that could be jointly
7 liable with Defendant, and each of them.

8 V. “Settlement” means this PAGA Settlement Agreement.

9 W. “Settlement Administrator” means the administrator proposed by the Parties and
10 appointed by the Court to administer the Settlement. The Parties have agreed to
11 propose Phoenix Settlement Administrators to serve in this capacity.

12 X. “Settlement Share” means the portion of the Net Settlement Amount allocable to
13 each PAGA Settlement Group Member as provided by this Agreement.

14 **II. FACTUAL BACKGROUND**

15 A. On or about January 27, 2021, Plaintiff served a letter to the LWDA and
16 Defendant in accordance with the requirements of Labor Code section 2699.3, to notify the
17 LWDA of alleged violations by Defendant of the California Labor Code: (1) failure to pay
18 minimum and regular rate wages (Labor Code sections 204, 1194, 1194.2, and 1197); (2) failure
19 to pay overtime compensation (Labor Code sections 1194 and 1198); (3) failure to provide meal
20 periods (Labor Code sections 226.7 and 512); (4) failure to authorize and permit rest breaks
21 (Labor Code section 226.7); (5) failure to timely pay final wages at termination (Labor Code
22 sections 201-203); and (6) failure to provide accurate itemized wage statements (Labor Code
23 section 226).

24 B. On January 29, 2021, Plaintiff commenced this Action. Plaintiff’s Complaint
25 sought damages, on his behalf and on behalf of a class of all non-exempt or hourly employees,
26 for the following alleged violations of the California Labor Code: (1) failure to pay minimum
27 and regular rate wages (Labor Code sections 204, 1194, 1194.2, and 1197); (2) failure to pay
28 overtime compensation (Labor Code sections 1194 and 1198); (3) failure to provide meal periods

(Labor Code sections 226.7 and 512); (4) failure to authorize and permit rest breaks (Labor Code section 226.7); (5) failure to timely pay final wages at termination (Labor Code sections 201–203); (6) failure to provide accurate itemized wage statements (Labor Code section 226); and (7) unfair business practices (Business and Professions Code sections 17200 *et seq.*).

C. On July 6, 2021, Plaintiff filed a First Amended Representative Action Complaint. The only remaining allegation in the First Amended Representative Action Complaint was for civil penalties under the PAGA, based on the same alleged violations of the Labor Code contained in the original Complaint filed on January 29, 2021, and as alleged in the letter served on the LWDA and Defendant on January 27, 2021.

D. In the Action, Plaintiff sought penalties under PAGA on behalf of himself and the PAGA Settlement Group Members for alleged violations of California’s Labor Code.

E. The Parties have each independently analyzed and investigated the facts and law relevant to this case through informal discovery, including, but not limited to, the employment policies, procedures, and practices implicated by the PAGA representative claims; timekeeping records, payroll records, and wage statements relating to Plaintiff and other non-exempt employees on whose behalf the PAGA claims are asserted in the Action; and summaries of data pertaining to the number of employees allegedly affected by the PAGA claims, inclusive of implicated pay periods.

F. On October 16, 2023, the Parties participated in a full-day mediation with reputed class and collective action mediator, Judge Carl West (Ret.). Prior to mediation, Defendant by and through their counsel supplied Plaintiff’s counsel with employee and payroll data, policy documents, and additional information regarding Defendant’s non-exempt, hourly employees in California.

G. During the mediation, each side, represented by its respective counsel, discussed the material liability and damages risks of their respective cases, and the potential impact of an adverse result in the Action. By and through the assistance of the mediator, the Parties subsequently agreed to a complete resolution of the Action. The Parties have agreed to settle the Action in its entirety pursuant to the terms and conditions of this Agreement.

1 **H.** This Settlement contemplates the entry of an Order by the Court approving the
2 payment to the PAGA Settlement Group Members and the dismissal with prejudice of the
3 Complaint and the entirety of the Action.

4 **I.** This Agreement represents a compromise and settlement of highly disputed
5 claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant
6 that Plaintiff's claims in the Action have merit or that Defendant has any liability whatsoever to
7 Plaintiff or the PAGA Settlement Group, or as an admission by Plaintiff that Defendant's
8 defenses in the Action have merit.

9 **III. SETTLEMENT TERMS AND CONDITIONS**

10 **A. Non-Admission.** Nothing in this Settlement, nor the acts to be performed or
11 judgments to be entered pursuant to the terms of the Settlement, shall be construed to be an
12 admission by Plaintiff that his claims do not have merit or by Defendant of any liability or
13 wrongdoing as to Plaintiff, allegedly Aggrieved Employees or any other person. Defendant
14 specifically disclaims any such liability or wrongdoing. Defendant denies the allegations in the
15 Action in their entirety and specifically denies that it has committed any misconduct, statutory
16 or regulatory violation, wrongdoing, or any other actionable conduct of any kind. The Parties
17 have entered into this Settlement with the intention to avoid further disputes and litigation with
18 the attendant inconvenience, expenses and risks. This Settlement and any related court
19 documents or orders are not and may not be cited or admitted as evidence of liability.

20 **B. Gross Settlement Amount.** Subject to the terms and conditions of this
21 Agreement and the Court's approval, the Gross Settlement Amount is THREE HUNDRED
22 SIXTY-FIVE THOUSAND DOLLARS AND ZERO CENTS (\$365,000.00.) The Gross
23 Settlement Amount will cover (i) all Settlement Shares to be paid PAGA Settlement Group
24 Members, (ii) the LWDA Payment, (iii) the Plaintiff's Counsel Fees and Expenses Payment, and
25 (iv) the Settlement Administrator's fees and expenses. The settlement is non-reversionary, such
26 that the entire Gross Settlement Amount will be disbursed.

27 **C. Net Settlement Amount.** The Parties agree that the following amounts should
28 be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net

Settlement Amount to distribute to the LWDA and Aggrieved Employees: (1) payment to the Settlement Administrator for Settlement administration expenses; and (2) payment to Plaintiff's Counsel for attorneys' fees and costs ("Plaintiff's Counsel's Fees and Expenses Payment").

D. Payment to Settlement Administrator. The Settlement Administrator will pay to itself out of the Gross Settlement Amount its reasonable fees and expenses as approved by the Court, and not to exceed TEN THOUSAND DOLLARS AND ZERO CENTS (\$10,000.00).

E. Payment to LWDA. The Settlement Administrator shall pay to the LWDA 75% of the Net Settlement Amount, as required by California Labor Code section 2699(i).

F. Payment to Plaintiff's Counsel. Defendant will not oppose Plaintiff's Counsel's request to be paid: (1) 33.33% of the Gross Settlement Amount, or ONE HUNDRED TWENTY-ONE THOUSAND SIX HUNDRED FIFTY-FOUR DOLLARS AND FIFTY CENTS (\$121,654.50), as attorneys' fees, and (2) for expenses not to exceed TWENTY THOUSAND DOLLARS AND ZERO CENTS (\$20,000.00). The Settlement Administrator will issue to Plaintiff's Counsel a Form 1099 with respect to Plaintiff's Counsel's Fees and Expenses Payment. Plaintiff's Counsel assumes full responsibility and liability for taxes owed on the Plaintiff's Counsel's Fees and Expense Payment and agrees to hold Defendant harmless and indemnify Defendant from any dispute or controversy regarding this Payment.

G. Settlement Share to PAGA Settlement Group Members. Subject to the terms and conditions of this Agreement, the Settlement Administrator will allocate 25% of the Net Settlement Amount as Settlement Shares to the PAGA Settlement Group Members in proportion to the number of pay periods they worked for Defendant during the Covered Period, as required by California Labor Code section 2699(i). No deductions shall be taken, and a Form 1099 will be issued to each Settlement Group Member for his/her Settlement Share because the Action sought civil penalties and interest, only, and not actual wages. The Settlement Administrator will be responsible for issuing any 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. Defendant makes no representations or warranties with respect to tax consequences of any payment under this Settlement.

1 If the total number of pay periods worked by the PAGA Group from January 27, 2020
2 to October 16, 2023 (the date of mediation) exceeds 23,541.1 (i.e., ten percent above the 21,401
3 pay periods that Defendant reported prior to or during the mediation), the Gross Settlement
4 Amount shall increase in proportion to the increase above ten percent. In other words, an 11
5 percent increase in pay periods will result in a 1 percent increase in the Gross Settlement
6 Amount. Alternatively, Defendant may choose to limit the Covered Period and PAGA
7 Settlement Group Release to the date pursuant to which the PAGA Settlement Group
8 accumulated a total 23,541.1 pay periods.

9 The Settlement Administrator will calculate each Settlement Share by (a) dividing the
10 Net Settlement, less the LWDA Payment, by the total number of pay periods worked by all
11 Aggrieved Employees during the Covered Period and (b) multiplying the result by the number
12 of pay periods worked by each Aggrieved Employee during the Covered Period to determine
13 each PAGA Group Member's Settlement Share. Aggrieved Employees assume full
14 responsibility and liability for any taxes owed on their individual Settlement Share.

15 **H. Appointment of Settlement Administrator.** The Parties have agreed to propose
16 Phoenix Settlement Administrators as the Settlement Administrator to resolve disputes in
17 connection with the calculation of Settlement Shares in accordance with the Settlement;
18 distribute Settlement Shares and other payments due under the Settlement; and otherwise
19 administer the Settlement. The Settlement Administrator's duties will include preparing,
20 printing, and mailing the Notice Packet to the PAGA Settlement Group Members; conducting a
21 National Change of Address search and using Accurint and other reasonable and cost-effective
22 skip trace methods to locate any PAGA Settlement Group Member whose Notice Packet is
23 returned by the U.S. Postal Service as non-deliverable, and re-mailing the Notice Packet to the
24 PAGA Settlement Group Member's new address; issuing the checks to effectuate the payments
25 due under the Settlement; and otherwise administering the Settlement pursuant to this
26 Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of
27 printing and mailing the Notice Packet, will be paid out of the Gross Settlement Amount.

28 **I. Procedure for Approving Settlement.**

1 **1. Motion for an Order Approving the Settlement.**

2 a. The Parties will cooperate in seeking approval of the Settlement.
3 Plaintiff will file a Motion for an Order Approving PAGA Settlement (“PAGA Approval
4 Motion”). Defendant will not oppose the PAGA Approval Motion.

5 b. Pursuant to PAGA, on the date Plaintiff files the PAGA Approval
6 Motion, Plaintiff will submit to the LWDA the PAGA Settlement Notice substantially evidenced
7 by **Exhibit A** to this Agreement, enclosing this Agreement. The Parties intend and believe that
8 providing notice of this Settlement to the LWDA pursuant to the procedures described in this
9 section complies with the requirements of PAGA.

10 c. At any hearing on the PAGA Approval Motion, the Parties will
11 jointly appear, support the granting of the Stipulated Approval.

12 d. Should the Court decline to approve all material aspects of the
13 Settlement, or order material changes to the Settlement to which the Parties do not agree, the
14 Parties will meet and confer to address the Court’s concerns and determine whether resolution of
15 the Action can be obtained in a manner consistent with the Court’s concerns. If no agreement
16 can be reached, the Settlement will be null and void and the Parties will have no further
17 obligations under it and shall return to their positions prior to entering into this Settlement in the
18 first instance. However, an award by the Court of lesser amounts than sought for the Plaintiff’s
19 Counsel’s Fees and Expenses Payment will not be considered a material change to the Settlement.

20 **2. No Right to Opt Out or Object.** The Parties agree there is no statutory
21 right for any PAGA Settlement Group Member to object, opt out or otherwise exclude himself
22 or herself from the Settlement. The Parties further agree there is no right or opportunity for any
23 PAGA Settlement Group Member to appeal the approval of the Settlement by the Court. The
24 Parties further agree that an Aggrieved Employees’ recovery under this Settlement does not act
25 to preclude claims not encompassed within the release of claims in Section III.J.3.

26 **3. Waiver of Right to Appeal.** Provided that the final disposition of the
27 Action is consistent with the material terms of this Agreement, Plaintiff, Defendant, and their
28 respective counsel hereby waive any and all rights to appeal from it, including all rights to any

1 post-dismissal proceeding or appellate proceeding, such as a motion to vacate or set aside
2 dismissal, a motion for new trial, and any extraordinary writ, and the dismissal therefore will
3 become non-appealable at the time it is entered. The waiver of appeal does not include any
4 waiver of the right to oppose any appeal, appellate proceedings or post-dismissal proceedings.
5 This paragraph does not preclude Plaintiff or Plaintiff's Counsel from appealing from a refusal
6 by the Court to award the Plaintiff's Counsel's Fees and Expenses Payment. If an appeal is taken,
7 the time for consummating the Settlement (including making payments under the Settlement)
8 will be suspended until such time as the appeal is finally resolved and the disposition of the
9 Action becomes Final, as defined in this Agreement.

10 **4. Vacating, Reversal, or Material Modification of Dismissal on Appeal**
11 **or Review.** If, after a notice of appeal or a petition for *certiorari* or review, or any other motion,
12 petition, or application, the reviewing court vacates, reverses, or modifies the disposition of this
13 Action such that there is a material change to the Settlement, and that court's decision is not
14 completely reversed and the disposition of this Action is not fully affirmed on review by a higher
15 court, then either Plaintiff or Defendant will have the right to void the Settlement, which the Party
16 must do by giving written notice to the other Parties, the reviewing court, and the Court not later
17 than thirty (30) days after the reviewing court's decision vacating, reversing, or materially
18 modifying the disposition of this Action becomes final. A vacation, reversal, or modification of
19 the Court's award of Plaintiff's Counsel's Fees and Expenses Payment will not constitute a
20 vacating, reversal, or material modification of the disposition of this Action within the meaning
21 of this paragraph, although Plaintiff or Plaintiff's Counsel have the right to appeal from any
22 refusal by the Court to award the Plaintiff's Counsel's Fees and Expenses Payment.

23 **5. Timing of Settlement Payments.** Within seven (7) days after the Court
24 Order is signed approving the Settlement, the Settlement Administrator will provide Defendant
25 with wire transfer information. The first one-half (1/2) of the Gross Settlement Amount totaling
26 ONE HUNDRED EIGHTY-TWO THOUSAND FIVE HUNDRED DOLLARS AND ZERO
27 CENTS (\$182,500.00) (the "First Deposit"), shall be deposited by Defendant with the Settlement
28 Administrator within thirty (30) days after the Court signs an order approving the Settlement.

The remaining one-half (1/2) of the Gross Settlement Amount totaling ONE HUNDRED EIGHTY-TWO THOUSAND FIVE HUNDRED DOLLAR AND ZERO CENTS (\$182,500.00) (the “Second Deposit”) shall be deposited by Defendant on or before July 1, 2024, but no later than July 1, 2024.

6. Within forty-five (45) days after the Court Order is signed approving the Settlement and within fifteen (15) days of receiving the First Deposit, the Settlement Administrator shall pay the Settlement Shares to PAGA Settlement Group Members from the First Distribution and send every PAGA Settlement Group Member the PAGA Settlement Notice (see Exhibit A). The remainder of the First Distribution shall be held in trust and within fifteen (15) days of receiving the Second Deposit, the Settlement Administrator shall pay: (1) the LWDA Payment; (2) Plaintiff’s Counsel’s Fees and Expenses Payment; and (3) the Settlement Administrator’s fees and expenses from the Second Deposit.

7. Uncashed Settlement Share Checks. A PAGA Settlement Group Member must receive or cash his or her Settlement Share payment or check within 180 calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the PAGA Settlement Group Member at his or her correct address. If any PAGA Settlement Group Member’s Settlement Share check is not cashed within 120 days after its last mailing to the PAGA Settlement Group Member, the Settlement Administrator will send the PAGA Settlement Group Member a letter or postcard informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If a PAGA Settlement Group Member fails to cash the check for his or her Settlement Share within 180 days after it is mailed to him or her, the funds shall be distributed by the Settlement Administrator to the State Controller’s Unclaimed Property Fund in the Settlement Group Member’s name.

J. Release and Waiver of Claims.

1. Plaintiff’s Release. Plaintiff and his respective and former spouses, representatives, agents, attorneys (including Plaintiff’s Counsel), heirs, administrator successors,

1 and assigns generally, release and discharges the Released Parties from all claims, transactions,
2 or occurrence, including, but not limited to: (a) all claims that were, or reasonably could have
3 been alleged, based on the facts contained in the Operative Complaint and the PAGA Notice
4 (“Plaintiff’s Release”). Plaintiff’s Release does extend to any claims to enforce this Agreement.
5 Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to,
6 the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that
7 Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or
8 additional facts or Plaintiff’s discovery of them.

9 **2. Plaintiff’s Waiver of Rights Under California Civil Code Section**
10 **1542.** For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the
11 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which
12 provides:

13 **A general release does not extend to claims that the creditor or releasing party does**
14 **not know or suspect to exist in his or her favor at the time of executing the release,**
15 **and that, if known by him or her, would have materially affected his or her**
16 **settlement with the debtor or released party.**

17 **3. PAGA Settlement Group Members’ Release.** Upon the full funding of
18 the Settlement, Plaintiff, acting on behalf of the State of California and the Aggrieved Employees,
19 and the PAGA Settlement Group Members shall be deemed to have released and will release the
20 PAGA Released Claims.

21 **K. No Effect on Other Benefits.** The payment to PAGA Settlement Group
22 Members will not result in any additional benefit payments (such as 401(k) or bonus) beyond
23 those provided by this Agreement to Plaintiff or the PAGA Settlement Group Members, and the
24 PAGA Settlement Group Members will be deemed to have waived all such claims, whether
25 known or unknown by them, as part of their release of claims under this Agreement.

26 **L. Confidentiality Preceding Approval.** Prior to filing this Agreement, Plaintiff
27 will not issue any press or other media releases or have any communication with the press or
28 media or anyone other than financial advisors, retained experts, the LWDA and vendors related
to settlement administration, regarding the Settlement. If, before the filing of the Agreement and

1 PAGA Approval Motion, Plaintiff or his attorneys disclose to any unauthorized party (a) that a
2 settlement has been reached or (b) any of the terms of the Settlement except as required by law
3 or to effect the Settlement, Defendant may rescind the Settlement, rendering it null and void.
4 Plaintiff further agrees that he will instruct his attorneys not to disclose the terms of this
5 Agreement other than as necessary in connection with the PAGA Approval Motion. This section
6 does not bar Plaintiff's Counsel from carrying out their duties as counsel to Representative
7 Plaintiff for the LWDA.

8 **M. Miscellaneous Terms.**

9 **1. No Admission of Liability.**

10 a. Defendant denies that it has engaged in any unlawful activity, has
11 failed to comply with the law in any respect, or has any liability to anyone under the claims
12 asserted in the Action. This Agreement is entered into solely for the purpose of compromising
13 highly disputed claims. Nothing in this Agreement is intended or will be construed as an
14 admission of liability or wrongdoing by Defendant, or an admission by Plaintiff that any of his
15 claims were non-meritorious or any defense asserted by Defendant was meritorious. This
16 Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have
17 no bearing on, and will not be admissible in connection with, any litigation (other than solely in
18 connection with the Settlement).

19 b. Whether or not the disposition of this Action becomes final,
20 nothing in the Settlement, this Agreement, any document, statement, proceeding or conduct
21 related to the Settlement or the Agreement, or any reports or accounting of those matters, will be
22 (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for
23 any purpose adverse to Defendant, but not limited to, evidence of a presumption, concession,
24 indication or admission by any of the Released Parties of any liability, fault, wrongdoing,
25 omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any
26 of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or
27 administrative action or proceeding except for purposes of effectuating the Settlement pursuant
28 to this Agreement.

1 c. This section and all other provisions of this Agreement
2 notwithstanding, any and all provisions of this Agreement may be admitted in evidence and
3 otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in
4 defense of any claims released or barred by this Agreement.

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

9 **3. Integrated Agreement.** After this Agreement is signed and delivered by
10 all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement
11 between the Parties relating to the Settlement, and it will then be deemed that no oral
12 representations, warranties, covenants, or inducements have been made to any Party concerning
13 this Agreement or its exhibits other than the representations, warranties, covenants, and
14 inducements expressly stated in this Agreement and its exhibits.

15 **4. Attorney Authorization.** Plaintiff's Counsel and Defendant's Counsel
16 each warrant and represent that they are authorized by their respective clients to take all
17 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
18 to effectuate its terms, and to execute any other documents required to effectuate the terms of
19 this Agreement. The Parties and their counsel will cooperate with each other and use their best
20 efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach
21 agreement on the form or content of any document needed to implement the Agreement, or on
22 any supplemental provisions that may become necessary to effectuate the terms of this
23 Agreement, the Parties will seek the assistance of the Court or mediator, and in all cases all such
24 documents, supplemental provisions and assistance of the Court will be consistent with this
25 Agreement. No attorney for any party is a party to this Agreement and will not be liable for any
26 Party's breach of any of the terms of this Agreement.

1 **5. Modification of Agreement.** This Agreement, and any and all parts of it,
2 may be amended, modified, changed, or waived only by an express written instrument signed by
3 all Parties or their successors-in-interest.

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

6 **7. Applicable Law.** All terms and conditions of this Agreement and its
7 exhibits will be governed by and interpreted according to the laws of the State of California,
8 without giving effect to any conflict of law principles or choice of law principles.

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

12 **9. Fair Settlement.** The Parties and their respective counsel believe and
13 warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and
14 have arrived at this Agreement through arms-length negotiations, taking into account all relevant
15 factors, current and potential.

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

19 **11. Notice.** All notices, demands or other communications given under this
20 Agreement will be in writing and deemed to have been duly given as of the third business day
21 after mailing by United States mail, addressed as follows:

22
23 *To Plaintiff and the Settlement Group:*

24 Kane Moon (SBN 249834)
25 kmoon@moonlawgroup.com
26 Lilit Ter-Astvatsatryan (SBN 320389)
27 lilit@moonlawgroup.com
28 MOON LAW GROUP, PC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128

Facsimile: (213) 232-3125

To Defendant Watts Labor Community Action Committee:

Andrea F. Oxman (SBN 252646)
andrea.oxman@jacksonlewis.com
Brittney E. Willis (SBN 334694)
brittney.willis@jacksonlewis.com
JACKSON LEWIS P.C.
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017-5408

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

13. Execution in Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. The Parties agree this Agreement may be signed electronically using “DocuSign,” “Adobe Sign” or other verifiable electronic signature program, pursuant to California Civil Code Section 1633.7, and that any party using such electronic signature program will retain any and all documents related to the signature process for purposes of authenticating the signature.

12. Plaintiff’s Responsibility. Plaintiff will prepare and deliver to Defendant’s Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699(f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employees’ data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed

1 declaration from Plaintiff's Counsel attesting to its timely transmission to the LWDA of all
2 necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)),
3 Operative Complaint (Labor Code section 2699(l)(1)), this Agreement (Labor Code section 2699
4 (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved
5 Employees and/or the Administrator.

6 **13. Responsibilities of Counsel.** Plaintiff's Counsel and Defendant's Counsel are
7 jointly responsible for expeditiously finalizing and filing the application or motion for approval
8 of this Settlement, and if necessary, obtaining a prompt hearing date for the motion and appearing
9 in Court to advocate in favor of the motion. Plaintiff's Counsel is responsible for delivering the
10 Court's Order granting Approval to the Administrator.

11 **14. Stay of Litigation.** The Parties agree that upon the execution of this Agreement
12 the litigation shall be stayed, except to effectuate the terms of this Agreement. EXECUTION BY
13 PARTIES.

14 The Parties hereby execute this Agreement.

15 Dated: March 26, 2024

Donald Taylor

17 _____
18 Plaintiff

19 Dated: March 26, 2024

Watts Labor Community Action Committee

20 By:/s/ Timothy Watkins

21 _____
22 Timothy Watkins
President and Chief Executive Officer

23 APPROVED AS TO FORM:

24 Dated: March 26, 2024

MOON LAW GROUP, PC

25 By: _____
26 Kane Moon
27 Lilit Ter-Astvatsatryan
28 Attorneys for Plaintiff DONALD TAYLOR

1 Dated: March 26, 2024

JACKSON LEWIS P.C.

2
3 By:___/s/ Brittney E. Willis

4 _____
5 Andrea F. Oxman
6 Brittney E. Willis

7 Attorneys for Defendant WATTS LABOR
8 COMMUNITY ACTION COMMITTEE
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Exhibit A

TRANSMITTAL OF INDIVIDUAL SETTLEMENT AWARD

Donald Taylor v. Watts Labor Community Action Committee
Superior Court of the State of California for the County of Los Angeles
Case No. 21STCV04375

Enclosed with this letter is a settlement check being paid to you pursuant to a settlement of a lawsuit filed in the Los Angeles County Superior Court, *Donald Taylor v. Watts Labor Community Action Committee*, Case No.: 21STCV04375 (the “Litigation” or “Lawsuit”).

The Litigation sought to recover civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), which is codified at California Labor Code section 2698 et seq., against Watts Labor Community Action Committee (“Defendant”) for purported underpayment of wages and non-compliance with the California Labor Code on behalf of the State of California and all current and former non-exempt employees throughout California from January 27, 2020 to [insert date].

Defendant denied Plaintiff’s allegations and disputed all of Plaintiff’s claims and asserts that it has complied with all Labor Code requirements. Without Defendant admitting any of the alleged claims, the parties ultimately reached a settlement which considers the uncertainties and risks of proceeding with litigation.

The merits of the Lawsuit have not been determined. On _____, 2024, however, the Los Angeles County Superior Court approved a settlement of the Litigation. The payment which accompanies this letter is made to you pursuant to the terms of the Settlement Agreement. You may not opt out of or object to the settlement.

Do not call or contact the Los Angeles County Superior Court about this letter, the settlement, the settlement check sent to you, or the Lawsuit in general. If you have questions about this letter, the settlement, the settlement check sent to you, or the Lawsuit in general, you may contact the Settlement Administrator at [INSERT CONTACT INFORMATION.]

Dated: [insert date]

Exhibit B

MOON & YANG, APC

ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

1055 W. SEVENTH ST., SUITE 1880
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
Kane.moon@moonyanglaw.com

January 27, 2021

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL

Watts Labor Community Action Committee
10950 S. Central Avenue
Los Angeles, CA 90059

Notice of Labor Code Violations and PAGA Penalties

Re: ***Donald Taylor v. Watts Labor Community Action Committee***

To Whom It May Concern:

Please be advised that my office has been retained by Donald Taylor (“Plaintiff”) to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, Watts Labor Community Action Committee (“Defendant”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant’s aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of himself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California as an hourly paid, non-exempt employee at any time within the applicable statutory period (hereafter, the “Aggrieved Employees”).

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Los Angeles County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a case manager from approximately October 2016 to August 2020, primarily in Los Angeles County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the time period involved in this case, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees for all hours worked (including minimum wages, straight time wages and overtime wages). Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. Throughout the statutory period, Defendant also maintained a policy and practice of requiring Plaintiff and the Aggrieved Employees to perform work "off-

the-clock”, or in the alternative Defendants failed to pay Plaintiff and the Aggrieved Employees all overtime compensation owed. For example, Plaintiff and the Aggrieved Employees would often work overtime but would not be paid that overtime compensation. As a further result, Defendants failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked. In doing so, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant’s policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment

of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

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

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (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 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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
6. Labor Code § 226 by failing to provide accurate itemized wage statements; and
7. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, and 2699(f)(2).

LWDA
Notice of Labor Code Violations and PAGA
January 27, 2021
Page 8 of 8

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON & YANG, APC

A handwritten signature in blue ink, appearing to read 'Kane Moon', is written over the text 'MOON & YANG, APC'.

Kane Moon
Attorney at Law