

## **CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT**

### **AND RELEASE**

This Class and Representative Action Settlement Agreement and Release (“Agreement”) encompasses two (2) related class and representative actions pending in Los Angeles County Superior Court: (1) *Kuzminova v. Ready Responders, Inc.*, Case No. 21STCV13080 (“Kuzminova Matter”); and (2) *Munoz v. Ready Responders, Inc.*, Case No. 21STCV07377 (“Munoz Matter”) (collectively the Matters are referred to as “The Lawsuits”).

This Agreement is entered into between Plaintiffs MARIA KUZMINOVA (“KUZMINOVA”) and RYAN MUNOZ (“MUNOZ”), individually, and as representatives for the alleged class and aggrieved employees described below (“Plaintiffs”), on one hand, and Defendant READY RESPONDERS, INC. (“Ready Responders” or “Defendant”), on the other hand.

The Parties intend this Agreement to fully, finally, and forever resolve, discharge and settle the “Released Claims” (as defined below) on a class and representative action basis pertaining to the “Released Parties” (as defined below) upon and subject to the terms and conditions contained herein. This Agreement, which is contingent upon Final Court approval and the payment of the consideration set forth herein, contains the essential terms of the Parties’ agreement. The Plaintiffs and Class Counsel believe, and the Parties have agreed, that the settlement set forth in this Agreement confers substantial benefits upon the Class Members.

#### **I. DEFINITIONS**

##### **1. Class Counsel**

“Class Counsel” means GAINES & GAINES, APLC and JAMES HAWKINS APLC who, subject to Court approval, shall act as counsel for the Settlement Class.

##### **2. Class Counsel Award**

“Class Counsel Award” means attorneys’ fees and legal costs for Class Counsel’s litigation and resolution of the Lawsuits.

**3. Class Information**

“Class Information” or “Class Data” means information regarding Settlement Class Members that Defendant will compile from its records and provide to the Settlement Administrator in an excel spreadsheet, including each Settlement Class Member’s full name; last known address; social security number; dates of employment; and the total number of workweeks during which each Class Member performed work for Defendant during the Class Period.

**4. Class Members or Settlement Class Members**

“Class Member(s)” or “Settlement Class Member(s)” means all persons who were employed by Defendant as an hourly non-exempt employee in the State of California during the Class Period, who did not sign a “Separation Agreement and Waiver and Release of all Claims” related to Defendant’s shutdown of California operations in March 2021. Defendant represents there are approximately 51 Class Members.

**5. Class Period**

“Class Period” means the period from April 1, 2020 to March 31, 2021, which is the approximate period that Ready Responders had hourly non-exempt employees actively employed in California.

**6. Class Representatives**

“Class Representatives” means Plaintiffs Maria Kuzminova and Ryan Munoz, subject to Court approval.

**7. Class Representatives’ Enhancement Award**

“Class Representatives’ Enhancement Award” means the amount that the Court authorizes to be paid to each Plaintiff, in recognition of Plaintiffs’ efforts and risks in assisting with the prosecution of the Lawsuits and in return for executing a general release with Defendant.

**8. Class Representatives’ Released Claims**

“Class Representatives’ Released Claims” means all known and unknown claims against

the Released Parties, including any Released Claims as well as other wage and hour claims, claims under California Business & Professions Code section 17200, claims under the Labor Code, including, but not limited to, claims under the Private Attorneys General Act (“PAGA”), claims under the Fair Labor Standards Act (“FLSA”), and all claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974, and all of their implementing regulations and interpretive guidelines, as well as the common law, including laws related to discrimination, harassment, or retaliation, whether known or unknown, and whether anticipated or unanticipated, arising from or relating to Class Representatives’ relationship, or termination of relationship, with any Released Party through the date of Final Approval for any type of relief. Class Representatives further covenant that they will not become a member of any other legal actions against the Releasees, as that term is defined, asserting any of Class Representatives’ Released Claims, and will opt out of any such actions if necessary. For the avoidance of doubt, this is a complete and general release to the maximum extent by law.

With respect to Class Representatives’ Released Claims, Class Representatives waive their rights under California Civil Code section 1542 which states:

**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 his or her settlement with the debtor or released party.**

**9. Complaint**

“Complaint(s)” means the operative complaints filed in the Lawsuits. A true and correct copy of the proposed Consolidated Class and Representative Action Complaint is attached hereto as Exhibit 2.

**10. Court**

“Court” means the California Superior Court for the County of Los Angeles.

**11. Defendant**

“Defendant” means Defendant Ready Responders, Inc.

**12. Effective Date**

“Effective Date” means the date on which the Court’s order granting Final Approval of this Settlement Agreement becomes final. Such order becomes final upon the following events: (i) sixty five (65) days after the Court issues the Final Approval Order granting approval of this Settlement Agreement if no objections to the settlement are filed; or (ii) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes and no further review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (iv) if review is accepted, the day after the California Supreme Court affirms the judgment or order approving the Settlement.

**13. Eligible Workweek**

“Eligible Workweek” or “Eligible Workweeks” mean any workweek in which a Class Member worked for at least one day in California as an employee of Ready Responders in an hourly, non-exempt position during the Class Period, according to Ready Responder’s records.

**14. Final Approval Hearing**

“Final Approval Hearing” means the final hearing held by the Court to ascertain the fairness, reasonableness, and adequacy of the Settlement.

**15. Final Judgment**

“Final Judgment” means a judgment issued by the Court approving this Agreement as binding upon the Parties. The Final Judgment shall constitute a judgment respecting the Parties within the meaning and for purposes of California Code of Civil Procedure sections 577, 581d, and 904.1(a), and on the PAGA claims for purposes of enforcing the rule announced in *Arias v. Superior Court*, 46 Cal. 4th 969 (2009).

**16. Individual PAGA Payment**

“Individual PAGA Payment” means the pro rata share of the (25%) amount of the PAGA Payment allocated to the PAGA Settlement Group Members that each PAGA Settlement Group Member will receive, without regard to whether he or she is a Class Member or Participating Class Member.

**17. Individual Settlement Payment**

“Individual Settlement Payment” means the amount paid from the Net Settlement Amount to a Participating Class Member. Any Class Member who timely submits a Request for Exclusion pursuant to the procedures set forth herein is not a Participating Class Member and is not eligible to receive an Individual Settlement Payment.

**18. Lawsuits**

“Lawsuits” means the civil actions filed by Plaintiffs entitled *Kuzminova v. Ready Responders, Inc.*, Case No. 21STCV13080, Superior Court of California, County of Los Angeles and *Munoz v. Ready Responders, Inc.*, Case No. 21STCV07377, Superior Court of California, County of Los Angeles.

**19. LWDA**

“LWDA” means the California Labor and Workforce Development Agency.

**20. LWDA PAGA Payment**

“LWDA PAGA Payment” means the payment to be made to the LWDA as its 75% share of the PAGA Payment under the Settlement.

**21. Net Settlement Amount**

“Net Settlement Amount” means the Total Settlement Amount less the Court-approved Class Counsel Award, Class Representatives’ Enhancement Awards, PAGA Payment, and Settlement Administration Costs. The Net Settlement Amount is the total class settlement amount that will be paid to Participating Class Members, in the form of Individual Settlement Payments.

**22. Notice of Class and Representative Action Settlement**

“Notice of Class and Representative Action Settlement” means the notice approved by the Parties and subject to Court approval, substantially in the form of Exhibit 1 hereto, explaining the terms of this Agreement and the settlement process, which the Settlement Administrator will mail to each Settlement Class Member.

**23. PAGA**

“PAGA” refers to the Labor Code Private Attorneys General Act of 2004, Labor Code § 2699 et seq.

**24. PAGA Payment**

“PAGA Payment” means the payment in the amount of \$10,000, or other amount ordered by the Court, to be paid out of the Total Settlement Amount for PAGA penalties.

**25. PAGA Settlement Group Member**

“PAGA Settlement Group Member(s)” refers to all persons who were employed by Defendant as an hourly non-exempt employee in the State of California at any time from April 1, 2020 to March 31, 2021, regardless of whether they are also a Class Member or Participating Class Member. Each PAGA Settlement Group Member will be paid an Individual PAGA Payment.

**26. PAGA Release**

“PAGA Release” shall mean any and all claims and/or causes of action for civil penalties and other relief available pursuant to PAGA against Released Parties that were or could have been pled based on any and all of the underlying alleged Labor Code violations pled in the original and amended Complaints in the Litigation and the LWDA notices. Class Members who opt out of the Settlement will still be bound by the PAGA Release. The period of the PAGA Release will be from April 1, 2020 through May 31, 2021.

**27. Participating Class Members**

“Participating Class Members” means those Class Members who do not file a valid and timely Request for Exclusion.

**28. Parties**

“Parties” means Plaintiffs and Defendant, collectively.

**29. Plaintiffs**

“Plaintiffs” means named Plaintiffs Maria Kuzminova and Ryan Munoz.

**30. Preliminary Approval Date**

“Preliminary Approval Date” means the date on which the Court issues an order granting preliminary approval of the proposed Settlement.

**31. Qualified Settlement Fund**

“Qualified Settlement Fund” or “QSF” means the account established by the Settlement Administrator which the Parties agree will at all times be treated as a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1, *et seq.* The Parties agree the Settlement Administrator shall, in establishing the account, make any such elections as necessary or advisable to carry out the “relation back election” (as defined in Treas. Reg. §1.468B-1(j)(2)(i)) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Settlement Administrator to timely and properly prepare and deliver the necessary documentation for

signature by all necessary Parties, and to cause the appropriate filing to occur. The Parties further agree and acknowledge that, for purposes of Section 468B of the Internal Revenue Code of 1986, as amended (the “Code”) and the Treasury Regulations promulgated thereunder, only the Defendant shall be treated as a “transferor” (within the meaning of such term under Treasury Regulations §1.468B-1(d)(1)) with respect to the Qualified Settlement Fund.

### **32. Released Claims**

“Released Claims” shall mean any and all claims and/or causes of action under any state, local or federal law or administrative order by Participating Class Members against Released Parties that were or could have been pled based on the allegations of the original and amended Complaints in the Lawsuits and the Plaintiffs’ LWDA notices, whether known or unknown, including but not limited to, any claim for: (1) Failure To Pay Regular Pay/Min. Wages in Violation of Labor Code §§ 510, 558, 1194, & 1194.2; (2) Failure To Pay Overtime Premium Pay in Violation of Labor Code §§ 510, 558, and 1194; (3) Failure To Provide Meal Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 226.7, 510, 512, 558, 1174, 1194, 1198, and IWC Wage Order 9-2001 § 11; (4) Failure to Provide Rest Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 226.7, 512, and IWC Wage Order 9-2001 § 12; (5) Failure To Reimburse For Necessary Expenditures in Violation of Labor Code § 2802; (6) Failure to Provide Accurate Itemized Wage Statements in violation of Labor Code §§ 226(a), (e), and (h), and 226.3; (7) Failure to Timely Pay Wages in Violation of Labor Code §§ 201-204; (8) Unlawful and Deceptive Business Practices in Violation of Business & Professions Code §§ 17200, *et seq.*; and (9) claims for PAGA Penalties (Cal. Labor Code §§ 2698 *et seq.*) based on such alleged violations, any derivative claims under the Fair Labor Standards Act (“FLSA”) or any applicable California Industrial Welfare Commission Wage Order; related common law claims for conversion, other alleged tortious conduct, breach of contract, and misrepresentation; and any other derivative claims under California law including claims for statutory or civil penalties,

liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. The period of the Released Claims will be from April 1, 2020 through May 31, 2021.

**33. Released Parties**

"Released Parties" or "Releasees" means Defendant and any of its former, present and/or future, direct and/or indirect, parents, companies, subsidiaries, affiliates, divisions, officers, directors, managers, owners, members, heirs, employees, partners, shareholders, attorneys, agents, fiduciaries, insurers, investors, predecessors, successors, assigns, executors, administrators, beneficiaries, legal representatives, or trustees. This definition includes, but is not limited to, Ready Responders California, P.C.

**34. Request for Exclusion**

"Request for Exclusion" means a letter setting forth a Class Member's name, present address, and a statement electing to be excluded from the Class Settlement. Specific details of how to submit a "Request for Exclusion" will be provided by the Class Notice. However, such Class Members will still receive an Individual PAGA Payment and be bound by the terms of the PAGA Release.

**35. Response Deadline**

"Response Deadline" means the date forty-five (45) days after the Settlement Administrator mails the Notice of Class and Representative Action Settlement to Settlement Class Members, which is the last date on which Settlement Class Members may: (a) submit a Request for Exclusion; (b) file and serve objections to the settlement; or (c) dispute the information contained in the Notice.

**36. Settlement**

"Settlement" or "Settlement Agreement" means this Class and Representative Settlement Agreement and Release.

**37. Settlement Administrator**

“Settlement Administrator” means ILYM Group, Inc., the third-party Settlement Administrator mutually agreed to by the Parties and appointed by the Court upon Class Counsel’s motion for preliminary approval of this Settlement.

**38. Settlement Administrator Costs**

“Settlement Administrator Costs” means the amount to be paid to the Settlement Administrator from the Total Settlement Amount for administration of this Settlement. References herein to actions and responsibilities of the Settlement Administrator shall be to those actions and responsibilities it shall take as set forth in the Agreement.

**39. Total Settlement Amount**

“Total Settlement Amount” means the total maximum amount payable under the terms of this Agreement by Defendant, which is the gross sum of \$100,000 and includes, without limitation: the Individual Settlement Payments to Participating Class Members; PAGA Payment; payment of Settlement Administration Costs as approved by the Court; any Class Representatives’ Enhancement Awards to Plaintiffs Maria Kuzminova and Ryan Munoz as approved by the Court; and a payment to Class Counsel of attorneys’ fees and reasonable litigation costs which shall be determined by motion with the Court. Payment of the amount necessary to cover the employer’s portion of payroll taxes associated with the 25% portion of the Individual Settlement Payments allocated to wages shall be made by Defendant, separate and apart from the Total Settlement Amount. The Settlement Administrator will make all required tax deductions and payments using a Qualified Settlement Fund. As set forth herein, the Settlement Administrator will issue all of the above-referenced payments from the Qualified Settlement Fund in accordance with the applicable provisions of this Stipulation.

**II. RECITALS**

**1. Class Certification.**

The Parties stipulate to class certification for purposes of settlement only. If the Court does not grant either preliminary or final approval of this Settlement, the Parties agree that this stipulation regarding class certification will become null and void.

**2. Procedural History.**

On February 24, 2021, Plaintiff Munoz initiated the Munoz Matter by filing a Complaint in the Los Angeles Superior Court. On May 3, 2021, Plaintiff Munoz filed a First Amended Complaint. The Munoz Matter alleges class and PAGA claims against Defendant Ready Responders, Inc. for: (1) Failure to Pay Wages Including Overtime, (2) Failure to Provide Meal Periods, (3) Failure to Provide Rest Periods, (4) Failure to Pay Timely Wages, (5) Failure to Provide Accurate Itemized Wage Statements, (6) Violation of Business & Professions Code § 17200, et seq., and (7) Civil Penalties for Labor Code Violations set forth above pursuant to § Labor Code 2699(a).

On April 6, 2021, Plaintiff Kuzminova initiated the Kuzminova Matter by filing a Complaint in the Los Angeles Superior Court. The Kuzminova matter is pled as a class action and representative PAGA action and alleges the following claims against Defendant Ready Responders, Inc. for: (1) Failure to Pay All Minimum and Overtime Wages, (2) Failure to Provide Rest Periods or Compensation in Lieu Thereof; (3) Failure to Provide Meal Periods or Compensation in Lieu Thereof, (4) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions, (5) Failure to Pay Wages Due at Separation of Employment, (6) Failure to Reimburse Expenses, and (7) Violation of Business & Professions Code § 17200, et seq., and (8) Civil Penalties for Labor Code Violations set forth above pursuant to § Labor Code 2699(a).

The Parties had early settlement discussions and negotiations. As part of the discussions, before any agreement was negotiated, Plaintiffs requested and Defendant produced extensive documentation including time and pay data, policy documents, class size information, information

on the number of pay periods and workweeks, information on the number of California non-exempt employees who signed Severances and Releases and information regarding the hourly rates. In short, Defendant provided informal discovery sufficient to enable the Plaintiffs and Class Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the potential damages arising from the claims made in this case.

Defendant denies any liability or wrongdoing of any kind associated with the claims asserted in the Lawsuits, disputes the damages and penalties claimed by Plaintiffs, and further contends that, for any purpose other than settlement, Plaintiffs' claims are not appropriate for class or representative treatment. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, no documents referred to herein, and no action taken to carry out this Settlement, shall be construed or used as an admission by or against Defendant as to the merits or lack thereof of the claims asserted in the Lawsuits. Defendant contends, among other things, that, at all times, it has complied with all applicable state, federal and local laws related to the Settlement Class Members' and PAGA Settlement Group Members' employment. Nevertheless, Defendant has entered into this Settlement to avoid the cost, risk and inconvenience of further litigation. Nothing contained in this Settlement, nor the fact of this Settlement itself, shall be construed or deemed as an admission of liability, or wrongdoing on the part of any of the Defendant, or an admission that class or representative action treatment would be allowed outside the settlement context. Pursuant to California Evidence Code sections 1152 and 1154, this Settlement shall be inadmissible in evidence in any proceeding; except that the Settlement may be filed and used in this litigation or any related litigation as necessary to approve, interpret, or enforce this Settlement, or in any subsequent action against or by Defendant to support a stay of such subsequent action, or to establish a defense of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

The Class Representatives are represented by Class Counsel. Class Counsel investigated the facts relevant to the Lawsuit, including reviewing documents and information provided by Defendant. Based on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant is fair, reasonable and adequate, and in the best interest of the Settlement Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding a class trial, and numerous potential appellate issues. Although Defendant denies any liability, Defendant is agreeing to this Settlement to avoid the cost, distraction, and risks of further litigation. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Lawsuits on the terms set forth herein.

**3. Benefits of Settlement to Class Members.**

Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Plaintiffs have taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in litigation. Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Lawsuits, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Settlement Class Members. Plaintiffs and Class Counsel have considered Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Settlement Class. Based on the foregoing, Class Counsel have concluded that settlement for the consideration and on the terms set forth in this Settlement Agreement, is fair, reasonable, and adequate and is in the best interest of the putative class in light of all known facts and circumstances, including the risk of delay, defenses asserted by Defendant, numerous potential appellate issues, and other risks inherent in litigation.

**4. Defendant's Reasons for Settlement.**

Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties, especially for a class of less than 70 employees. Substantial amounts of Defendant's time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiffs and Settlement Class Members and PAGA Settlement Group Members. Defendant has also taken into account the risks of further litigation in reaching their decision to enter into this Settlement. Even though Defendant continues to contend that they are not liable for any of the claims set forth by Plaintiffs in the Lawsuits, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims in the Lawsuits. Defendant contends that they have complied with all applicable state, federal, and local laws.

**5. Settlement of Disputed Claims.**

This Agreement is a compromise of disputed claims. Plaintiffs have claimed and continue to claim that the Released Claims have merit and give rise to liability on the part of Defendant. Defendant has claimed and continues to claim that the Released Claims have no merit and do not give rise to liability. Nothing contained in this Agreement, no documents referred to herein, and no action taken to carry out this Agreement, may be construed or used as an admission by Defendant as to the merits of any of the claims asserted in this Lawsuit.

**III. TERMS OF AGREEMENT**

**1. Release as To All Participating Class Members.**

As of the Effective Date, and subject to Defendant's full payment of all consideration due hereunder, the Participating Class Members, including Plaintiffs, release the Released Parties from the Released Claims. These releases will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment sent to his or her last known address or cashes and deposits any check for the Individual Settlement Payment.

2. **PAGA Release as to All Members of PAGA Settlement Group.**

As of the Effective Date, and subject to Defendant's full payment of all consideration due hereunder, all PAGA Settlement Group Members release the Released Parties from the PAGA Release.

3. **Release of Claims by Plaintiffs.**

As of the Effective Date, and subject to Defendant's full payment of all consideration due hereunder, Named Plaintiffs release for themselves only the Released Parties from all of the Class Representatives' Released Claims. Plaintiffs' releases set forth herein include a waiver of all rights under California Civil Code §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 may hereafter discover claims or facts in addition to, or different from, those which they now know or believe to exist, but Plaintiffs expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiffs' employment with Defendant.

4. **Tax Treatment.**

All Individual Settlement Payments shall be allocated as follows: 30% as wages and expenses, and 70% as penalties and interest. The 30% portion of Settlement Payments subject to required withholdings and deductions by the Settlement Administrator shall be reported on Form W-2 (and such other state or local tax reporting forms as may be required by law) with respect to the year of payment as wage income to the Settlement Class Member by the Settlement

Administrator on behalf of the Qualified Settlement Fund. Individual PAGA Payments shall be treated 100% as non-wage payments for alleged penalties and shall not be subject to any withholdings or deductions. The Settlement Administrator shall issue I.R.S. Form 1099 if required for all non-wage payments. Defendant shall solely be responsible for paying the employer's share of payroll taxes on the amounts allocated as wages and expenses, which amount shall be paid separately from the Total Settlement Amount. Plaintiffs and any Class Member who receives any Individual Settlement Payment should consult with their tax advisors concerning the tax consequences of the Individual Settlement Payments they receive under the Settlement.

**5. Circular 230 Disclaimer.**

Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

**6. Preliminary Approval of Settlement.**

Plaintiffs will move the Court to grant preliminary approval of this Settlement, certifying the Settlement Class for settlement purposes only and setting a date for a Final Approval Hearing. Class Counsel shall be responsible for preparing the Motion for Preliminary Approval, supporting declarations, and exhibits thereto, for preliminary approval by the Court. Plaintiffs shall obtain a hearing on a date agreed upon by all counsel, before the Court to request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval Order: (i) preliminarily approving the proposed Settlement; (ii) allowing the filing of the proposed Consolidated Class and Representative Action Complaint; and (iii) setting a date for Final Approval. Class Counsel agrees to provide Counsel for Defendant with drafts of the Motion for Preliminary Approval and any other documents they intend to submit in support of their Motion for Preliminary Approval at least seven days before filing to allow Counsel for Defendant a reasonable time to review and comment on such papers and further agrees to reasonably incorporate the comments from Counsel for Defendant. All Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval. On the same date on which the Settlement is filed with the Court, Class Counsel shall concurrently submit it to the LWDA in compliance with PAGA. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement or other supporting documents that will result in entry of the Preliminary Approval Order.

**7. Settlement Administrator.**

Within twenty-one (21) calendar days of the Court granting Preliminary Approval of this Agreement, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing the Notice of Class Action Settlement to the Settlement Class Members. The Settlement Administrator shall maintain the Class Information as private and confidential and shall not disclose such data to any persons or entities other than Counsel for Defendant, except that

relevant information can be provided to Class Counsel if necessary for Class Counsel to respond to inquiries or requests from Class Members. The Class Information is being supplied solely for purposes of the administration of the Settlement set forth in this Stipulation and cannot be used by the Settlement Administrator or Class Counsel for any other purpose. The Parties agree that the Class Information will not be used to solicit Class Members to file any claim, charge, or complaint of any kind whatsoever the Defendant and will only be used to administer the Settlement under the terms provided herein.

No later than three (3) calendar days after receipt of the Class Information, the Settlement Administrator shall notify counsel for the Parties that the list has been received and state the number of Settlement Class Members on the list.

a. Notice by First Class U.S. Mail.

Upon receipt of the Class Information, the Settlement Administrator will mail copies of the Notice of Class and Representative Action Settlement to all Settlement Class Members via regular First-Class U.S. Mail. The form of the proposed Notice of Class Action Settlement will be agreed to by the parties, and subject to Court approval and modification as necessary to fulfill the Parties desire to resolve the case.

b. Undeliverable Notices.

Any Notice of Class Action Settlement returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address affixed thereto. If no forwarding address is affixed, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address and/or social security number of the Settlement Class Member whose notice was undeliverable, and shall then re-mail all returned, undelivered mail within ten (10) days of receiving notice that a notice was undeliverable. Settlement Class Members who receive a re-mailed Notice of Class Action Settlement shall have their Response Deadline extended twenty

(20) days from the original Response Deadline.

c. Disputes Regarding Individual Settlement Payments.

Settlement Class Members who disagree with the number of Eligible Workweeks stated on their Notice of Class Action Settlement derived from the Class Information may provide documentation and/or an explanation to show contrary information by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine a Participating Class Member's eligibility for, and the amounts of, any Individual Settlement Payment under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment will be binding upon the Settlement Class Members and the Parties. Defendant's records will be given a rebuttable presumption of accuracy.

d. Disputes Regarding Administration of Settlement.

Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to attempt to resolve the dispute without involving the Court.

e. Exclusions.

Individuals who fall within the definition of the Settlement Class may choose to exclude themselves as Participating Class Members. The Notice of Class Action Settlement shall state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name and address of the Settlement Class Member requesting exclusion; (2) contain a statement expressing that the Settlement Class Member elects to be excluded from the Settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. The date of the postmark

on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

Any such persons who exclude themselves from the Settlement will not receive an Individual Settlement Payment and will not be bound by the Released Claims, but will be bound by the PAGA Release and will be sent their Individual PAGA Payment.

Every Class Member who does not validly and timely exclude themselves shall be deemed a Participating Class Member. The Parties' counsel shall receive a copy of all valid Requests for Exclusion from the Settlement Administrator within ten (10) calendar days after the Response Deadline.

f. Objections.

The Notice of Class Action Settlement shall state that Settlement Class Members who wish to object to the Settlement may do so in person at the Final Approval Hearing and/or in writing. Any written objection ("Notice of Objection") must be mailed to the Settlement Administrator by the Response Deadline. The date of mailing on the envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received. The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name and address of the objecting Settlement Class Member; (2) the basis for the objection; and (3) whether the Settlement Class Member intends to appear at the final approval hearing. Class Counsel will ensure that any Notice of Objection received by the Settlement Administrator by the Response Deadline is filed with the Court along with the Motion for Final Approval. Any of the Parties may file a response to any objection before the Final Approval Hearing. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant with this notice no later than the Response Period Deadline. Any Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived

any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

**8. No Solicitation of Settlement Objections or Exclusions.**

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit either written objections to the Settlement or Requests for Exclusion, or to appeal from the Court's Final Judgment.

**9. Funding of the Qualified Settlement Fund.**

No later than five (5) calendar days after the Effective Date, the Settlement Administrator shall send Defendant's Counsel electronic wiring instructions for paying the Total Settlement Amount (\$100,000) into the QSF. The Settlement Administrator will also inform Defendant of the amount to be sent to the QSF to pay for the employer's share of payroll taxes. No later than ten (10) calendar days after the Effective Date, Defendant shall fund the QSF.

**10. Net Settlement Amount.**

The Net Settlement Amount will be determined by the Settlement Administrator by subtracting the Class Counsel Award, Class Representatives' Enhancement Awards, PAGA Payment, and Settlement Administrator Costs from the Total Settlement Amount. The anticipated Net Settlement Amount is \$42,435.68. The Parties estimate the amount of the Net Settlement Amount to be calculated as follows:

|                                          |              |
|------------------------------------------|--------------|
| Total Settlement Amount:                 | \$100,000.00 |
| Requested Class Rep. Enhancement Awards: | \$10,000.00  |
| Requested Class Counsel Fees:            | \$33,333.33  |
| Requested Class Counsel Costs:           | \$4,230.99   |
| PAGA Payment:                            | \$10,000     |

|                                 |                    |
|---------------------------------|--------------------|
| Settlement Administrator Costs: | \$4,000            |
| <b>Net Settlement Amount</b>    | <b>\$42,435.68</b> |

This is a non-reversionary Settlement in which Defendant will pay the entire Total Settlement Amount. No portion of the Total Settlement Amount will revert to Defendant. Any award of less than the amounts requested for enhancements, administrative costs, litigation costs, or attorneys' fees will be returned to the Net Settlement Amount and distributed to the Settlement Class.

a. Individual Settlement Payments.

Individual Settlement Payments will be paid from the Net Settlement Fund and shall be paid pursuant to the settlement formula as follows: (i) First, using the Class Information, the Settlement Administrator will compute the total number of Eligible Workweeks of all participating Class Members collectively during the Class Period; this sum shall be known as the Workweek Total; (ii) Second, the Settlement Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value for each Eligible Workweek (the "Workweek Value"); and (iii) Third, the Settlement Administrator will multiply the number of Eligible Workweeks of a Settlement Class Member during the Class Period by the Workweek Value to determine that Settlement Class Member's Individual Settlement Payment.

Settlement Class Members and Class Counsel shall be solely responsible for the reporting and payment of their share of any federal, state, and/or local income tax or other tax or any other withholdings, if any, on any of the payments made pursuant to this Settlement. Defendant makes no representation, and it is understood and agreed that Defendant has made no representation, as to the taxability to any Settlement Class Members of any portion of the Settlement Payments, the payment of any attorneys' fees and expenses to Class Counsel, or the payment of the Class Representatives' Enhancement Awards to the Class Representatives. The Notice will advise each

Class Member to seek his/her own personal tax advice prior to acting in response to the Notice, and Defendant, the Class Representatives, and Class Counsel agree that each Class Member will have an adequate opportunity to seek tax advice prior to acting in response to the Notice.

The Settlement Administrator will report each payment made from the Qualified Settlement Fund to state and federal government authorities, including the Internal Revenue Service, to the extent required by law.

Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to each Participating Class Member's last known mailing address within fifteen (15) days after Defendant fully funds the settlement.

**11. Individual PAGA Payments**

The Individual PAGA Payment will be an equal payment to all PAGA Settlement Group Members, calculated as follows: 25% of the PAGA Payment divided by the number of PAGA Settlement Group Members. If any additional amount is ordered by the Court to be paid for PAGA civil penalties the court-ordered PAGA Payment shall be paid from the Total Settlement Amount; in no event shall Defendant be required to pay in excess of the Total Settlement Amount.

**12. Unclaimed Settlement Payment(s).**

After one hundred and eighty (180) days of the mailing of the Individual Settlement Payment and Individual PAGA Payment checks, funds attributable to unclaimed, undeliverable, or expired checks ("Unclaimed Settlement Payments") shall be deposited to the State of California Unclaimed Property Fund in the name of each person who did not cash his or her check or checks.

**13. Class Representatives' Enhancement Awards.**

Defendant agrees not to oppose or object to Plaintiffs' application to the Court for Class Representatives' Enhancement Awards of up to \$5,000 each. The Class Representatives' Enhancement Awards shall be paid to Plaintiffs from the Total Settlement Amount no later than fifteen (15) days after Defendant fully funds the settlement. The Class Representatives'

Enhancement Awards shall be in addition to the Plaintiffs' Individual Settlement Payments as Settlement Class Members. Any amount requested by Plaintiffs for the Class Representatives' Enhancement Awards and not granted by the Court shall return to the Net Settlement Fund and be distributed to Participating Class Members as provided in this Agreement.

**14. Class Counsel Award.**

Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees in the amount of up to thirty-three and one-third percent (\$33,333.33) of the Total Settlement Amount. Defendant further agrees not to oppose any application or motion by Class Counsel for the reimbursement of reasonable litigation costs and expenses associated with Class Counsel's prosecution of this matter, to be paid from the Total Settlement Amount, not to exceed \$4,230.99. Class Counsel shall be paid the Class Counsel Award by the Settlement Administrator no later than seven (7) days after Defendant fully funds the settlement. Any amount requested by Class Counsel for the Class Counsel Award and not granted by the Court shall be included in the Net Settlement Fund and be distributed to Participating Class Members as provided in this Agreement. Class Counsel have entered into a fee sharing agreement, consented to in writing by the Named Plaintiffs, which complies with the requires of California law.

**15. Settlement Administrator Costs.**

The Parties agree to allocate up to \$4,000 of the Total Settlement Amount for Settlement Administrator Costs. The Settlement Administrator shall have the authority and obligation to make payments, credits and disbursements to Settlement Class Members in the manner set forth herein, calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Parties agree to cooperate in the Settlement administration process and to make reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement.

In the event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the

appeal or other appellate review, but any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Judgment or any other appellate review, shall be paid to the Settlement Administrator by Defendant within thirty (30) days of said notification.

a. Responsibilities of the Settlement Administrator.

In addition to establishing the Qualified Settlement Fund, the Settlement Administrator shall be responsible for the following: creating a plan of settlement administration and settlement fund distribution; using the data provided by Defendant to calculate each Class Member's approximate Individual Settlement Payment; ascertaining the identity and whereabouts of the Class Members and mailing the Class Notice out to them; communicating with Class Members as necessary; printing and mailing the Notice of Class Action Settlement and tax forms to the Participating Class Members as directed by the Court; receiving and reporting requests for exclusion and objections; processing and mailing payments to Plaintiffs, Class Counsel, and Participating Class Members; notifying the Parties of, and resolving any disputes regarding, the calculation of Class Members' Individual Settlement Amounts; complying with all tax reporting notice and filing requirements; carrying out all other duties related to the Qualified Settlement Fund's documentation and filing; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; providing status reports as needed, among other administrative duties; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities.

**16. Payment to the LWDA.**

Seventy-five percent (75%) of the PAGA Payment will be paid by the Settlement Administrator to the LWDA from the funding of the Total Settlement Amount. Any additional amount ordered by the Court to be paid to as the PAGA Payment shall be paid from the Total

Settlement Amount; in no event shall Defendant be required to pay in excess of the Total Settlement Amount.

**17. Final Approval Hearing and Entry of Final Judgment.**

Upon expiration of the Response Deadline, with the Court's permission, a Final Approval Hearing shall be conducted to determine whether the Settlement will be finally approved, including the requested Class Counsel Award, the requested Class Representatives' Enhancement Awards, the PAGA Payment, and Settlement Administrator Costs.

**18. Final Approval Order.**

The Parties will request that the Court enter, after the Final Approval Hearing, a Final Approval Order and a Final Judgment. The proposed Final Approval Order will certify the Settlement Class; find that this Agreement is fair, just, adequate, and in the best interests of the Class; approve the PAGA Settlement and PAGA Payment; address other terms of the settlement; and require the Parties to carry out the provisions of this Agreement. The Parties shall jointly prepare the proposed Final Approval Order. Plaintiffs shall be responsible for preparing the Motion for Final Approval, and any Motion Requesting Attorneys' Fees, Costs, and Class Representatives' Enhancement Awards, supporting declarations, and exhibits thereto, for final approval by the Court. Class Counsel agrees to provide Counsel for Defendant with drafts of all documents they intend to submit in support of their Motion for Final Approval at least seven days in advance of filing to allow Counsel for Defendant a reasonable time to review and comment on such papers and further agrees to reasonably incorporate the comments from Counsel for Defendant. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement or other supporting documents that will result in entry of the Final Approval Order.

**19. Nullification of Settlement Agreement.**

In the event: (i) the Court denies preliminary approval of the Settlement despite the

reasonable efforts of the Parties; (ii) the Court denies final approval of the Settlement despite the reasonable efforts of the Parties; (iii) the Court refuses to enter a Final Judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In that event, any fees already incurred by the Settlement Administrator shall be split equally by the Parties.

To the extent that more than seven (7) Settlement Class Members submit valid Requests for Exclusion, Defendant has the option to nullify this settlement within ten (10) days of notification by the Settlement Administrator after the Response Deadline of the total number of Requests for Exclusion, via a written notice to Plaintiffs' counsel. If Defendant exercises this option, the Settlement will become void and unenforceable in its entirety and the Parties shall be returned to their status as if this Agreement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid by Defendant terminating the Settlement.

Defendant represents that the Class Members worked no more than 2,071 Eligible Workweeks during the Class Period. If the number of Eligible Workweeks increases by more than Ten Percent (10%), then the Total Settlement Amount will increase proportionately with the increase over the ten percent threshold.

**20. Class Certification.**

The Parties are agreeing to class certification for settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class for trial or any other purpose is appropriate or proper or that Plaintiffs can establish any of the requisite elements for class or representative treatment of any of the claims in these Lawsuits.

If, for any reason, the Settlement is not approved, this Agreement will be void and the Parties will be restored to their respective positions as if the Class had never been certified. The

Parties further agree that this Agreement will not be admissible in this or any other proceeding as evidence that (i) a class action should be certified or not decertified; (ii) either matter may proceed as a representative action; or (iii) Defendant has any obligation or liability to Plaintiffs or any Settlement Class Member other than according to the Settlement's terms. In the event that the Settlement is not approved or otherwise voided, Defendant expressly reserves all rights to challenge certification of a class, or Plaintiffs' ability to maintain a representative action, for all purposes.

**21. Confidentiality Provision**

The Parties agree to keep the Settlement confidential up to and until the Court grants preliminary approval of the Settlement, except as required to seek preliminary approval from the Court, including filing the Agreement with the Court. Thereafter, the Parties will agree to make no comments to the media, issue any press release, or otherwise publicize the terms of the settlement, except that in response to media inquiries the Parties may refer the inquirer to the Settlement documents filed in Court. To the extent there are questions, the Parties will confer as to appropriate statements, if any, to be made. Both Plaintiffs have been advised to keep this Settlement confidential until preliminary approval is granted.

**22. No Effect on Employee Benefits.**

Amounts paid to Plaintiffs and Participating Class Members or PAGA Settlement Group members pursuant to this Settlement Agreement shall be deemed not to have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.), if any, for which Plaintiffs or Participating Class Members or PAGA Settlement Group Members were eligible during their employment.

**23. No Admission by Defendant.**

Defendant denies any and all claims alleged in these Lawsuits and deny all wrongdoing whatsoever. This Agreement is not a concession or admission and shall not be used against

Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant.

**24. Representation.**

All Parties have been represented by counsel throughout all negotiations which preceded the execution of this Settlement, and all Parties have been advised by counsel prior to entering into this Settlement.

Class Counsel represent that they do not currently represent any current or former employee who worked for Defendant in connection with any other filed or anticipated claims, charges, grievances, or complaints against Defendant. Class Counsel also represent that Class Counsel have not used any information obtained in the Lawsuits to solicit or assist any other persons or attorneys to commence a claim or proceeding against Defendant.

**25. Exhibits and Headings.**

The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

**26. Interim Stay of Proceedings.**

Upon full execution of this Agreement, the Parties agree that the Lawsuits shall be stayed in their entirety except for the proceedings necessary to implement and complete the Settlement.

**27. Amendment or Modification.**

This Agreement may be amended or modified only by a written instrument signed by the Parties or their successors-in-interest.

**28. Entire Agreement.**

This Agreement and any attached Exhibits constitute the entire Agreement among these

Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits. The Parties are entering into this Agreement based solely on the representations and warranties herein and not based on any promises, representation, and/or warranties not found herein.

**29. Authorization to Enter into Settlement Agreement.**

Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Agreement on behalf of Defendant represents and warrants that he or she is authorized to do so. Plaintiffs represent and warrant that they are authorized to sign this Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

**30. Binding on Successors and Assigns.**

This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

**31. California Law Governs.**

All terms of this Agreement and the Exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

**32. Counterparts.**

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

**33. Jurisdiction of the Court.**

Pursuant to California Code of Civil Procedure section 664.6 and as otherwise allowed by law, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

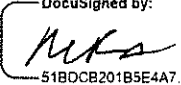
**34. Invalidity of Any Provision.**

Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members and PAGA Settlement Group Members, and Defendant have executed this Agreement as of the dates set forth below.

**IT IS SO AGREED:**

Dated: января 11, 2022

DocuSigned by:  
  
By: MARIA KUZMINOVA  
5180CB201B5E4A7...

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

By: \_\_\_\_\_  
RYAN MUNOZ

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

**READY RESPONDERS, INC.**  
By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

**33. Jurisdiction of the Court.**

Pursuant to California Code of Civil Procedure section 664.6 and as otherwise allowed by law, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

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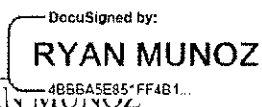
WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members and PAGA Settlement Group Members, and Defendant have executed this Agreement as of the dates set forth below.

**IT IS SO AGREED:**

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

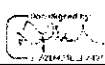
By: \_\_\_\_\_  
MARIA KUZMINOVA

Dated: 1/12/2022

By:  \_\_\_\_\_  
RYAN MUNOZ

Dated: 1/11/2022

**READY RESPONDERS, INC.**

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

Print Name: Stephanie Noriega

Title: General Counsel

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

**33. Jurisdiction of the Court.**

Pursuant to California Code of Civil Procedure section 664.6 and as otherwise allowed by law, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

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Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

WHEREFORE, Plaintiffs, on behalf of themselves and the Settlement Class Members and PAGA Settlement Group Members, and Defendant have executed this Agreement as of the dates set forth below.

**IT IS SO AGREED:**

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

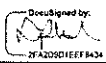
By: \_\_\_\_\_  
MARIA KUZMINOVA

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

By: \_\_\_\_\_  
RYAN MUNOZ

Dated: 1/11/2022

**READY RESPONDERS, INC.**

By:  \_\_\_\_\_  
DocuSigned by:  
Stephanie Noriea

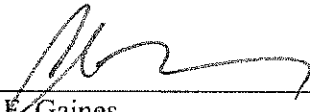
Print Name: Stephanie Noriea

Title: General Counsel

**APPROVED AS TO FORM AND CONTENT:**

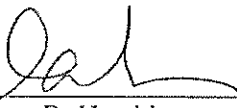
Dated: 1/12/22

**GAINES & GAINES APLC**

By:   
Daniel E. Gaines  
Alex P. Katofsky  
Evan S. Gaines  
Attorneys for Plaintiff Maria Kuzminova and  
the Proposed Class

Dated: January 12, 2022

**JAMES HAWKINS APLC**

By:   
James R. Hawkins  
Gregory Mauro  
Michael Calvo  
Attorneys for Plaintiff Ryan Munoz and the  
Proposed Class

Dated: January 11, 2022

**MORGAN, LEWIS & BOCKIUS LLP**

By:   
John S. Battenfeld  
Eldrin A. Masangkay  
Attorneys for Defendant Ready Responders,  
Inc.

# **EXHIBIT 1**

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

RYAN MUNOZ and MARIA KUZMINOVA,  
individually and on behalf of all others similarly  
situated,

Plaintiffs,

v.

READY RESPONDERS, INC., a Louisiana  
Corporation; and DOES 1-50, inclusive,

Defendants.

CASE NO: 21STCV13080  
Consolidated with Case No. 21STCV07377

*Assigned to the Hon. Yvette M. Palazuelos*

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

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT  
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

*A California court authorized this notice. This is not a solicitation from a lawyer.*

- A class and representative action settlement will provide \$100,000 (the "Total Settlement Amount") to pay claims to all persons who were employed by Defendant Ready Responders, Inc. as an hourly non-exempt employee in the State of California during the period from April 1, 2020 through March 31, 2021 (the "Class Period"), *who did not sign a "Separation Agreement and Waiver and Release of all Claims" related to Defendant's shutdown of California operations in March 2021* (the "Settlement Class").
- The settlement resolves two related class and representative action lawsuits filed in Los Angeles County Superior Court, entitled *Maria Kuzminova v. Ready Responders, Inc.*, Case No. 21STCV13080 and *Ryan Munoz v. Ready Responders, Inc.*, Case No. 21STCV07377 (collectively "the Lawsuits"). Plaintiffs in the Lawsuits allege that Defendant failed to pay all wages due, including minimum, regular, and overtime wages; provide compliant meal and rest periods or premium compensation in lieu thereof; timely issue final wages upon separation of employment; issue accurate and complete itemized wage statements; and reimburse employee business expenses. The Plaintiffs of the Lawsuits also bring a claim for civil penalties under California's Labor Code Private Attorneys General Act ("PAGA"). The Lawsuits have been consolidated into one Action.
- Defendant denies liability for all claims. It is Defendant's position that, if the Lawsuits were to be litigated, class certification would be inappropriate. The Parties disagree on how much money could have been awarded if employees won at trial.
- The Settlement avoids costs and risks of continuing the Lawsuits; pays money to employees; and releases Defendant from liability from the claims asserted in this lawsuit.

- Lawyers for the employees will ask the Court to award them up to \$33,333.33 as attorneys' fees and \$4,230.99 as expenses for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the Total Settlement Amount.

| <b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b><br><b>(described in more detail on page 7 of this document)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Do Nothing</b>                                                                                                        | You do not need to take any action if you wish to receive your settlement payment. If the settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator. If your address has changed, you must notify the Settlement Administrator of your new address. In exchange for the settlement payment, you will release claims against the Defendant, as detailed below. |
| <b>Exclude Yourself</b>                                                                                                  | To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator by the applicable deadline, as detailed below. If you request exclusion, you will receive <b>no money from the class settlement but will nonetheless be paid a share of the PAGA Payment</b> and will be bound by the PAGA Release, as detailed below.                                                                                             |
| <b>Object</b>                                                                                                            | Write to the Settlement Administrator about why you don't like the settlement by the applicable deadline, as detailed below, and/or appear at the Final Approval Hearing to make an oral objection, as detailed below.                                                                                                                                                                                                                                |
| <b>Appear at Final Approval Hearing</b>                                                                                  | Appear at the Final Approval Hearing in Court to object to the Settlement or to request to speak about the fairness of the settlement, as detailed below.                                                                                                                                                                                                                                                                                             |

### **WHY DID YOU RECEIVE THIS NOTICE?**

This notice explains a proposed settlement of two consolidated class and representative action Lawsuits, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may a Settlement Class Member on whose behalf this class action lawsuit has been brought.

### **WHAT IS THIS LAWSUIT ABOUT?**

On February 24, 2021 and April 6, 2021, former employees, Ryan Munoz and Maria Kuzminova ("Plaintiffs") respectively filed lawsuits against Ready Responders, Inc. ("Defendant"). As amended, their consolidated lawsuit alleges violations of the California Labor Code and California Business and Professions Code. They seek to certify the Settlement Class and to pursue civil penalty claims pursuant to the Private Attorneys General Act, Labor Code section 2698 *et seq.* ("PAGA") against Defendant on behalf of PAGA Settlement Group Members. Specifically, the lawsuit alleges that members of the Class were not paid all wages due, including minimum, regular, and overtime wages; were not provided all compliant meal and rest periods or premium compensation in lieu thereof; were not timely issued final wages upon separation of employment; were not issued accurate and complete itemized wage statements; and were not reimbursed for all business expenses incurred. The Settlement seeks recovery of wages, damages, interest, statutory and civil penalties, restitution, attorneys' fees and costs. Defendant denies

all of the claims in the lawsuit and denies that it owes Settlement Class Members any remedies. The Court has not made a ruling on the merits of the case.

The lawyers for the Parties are:

Plaintiffs' Attorneys

Daniel F. Gaines, Esq.  
Alex P. Katofsky, Esq.  
Gaines & Gaines, APLC  
27200 Agoura Road, Suite 101  
Calabasas, CA 91301  
Phone: (866) 550-0855

James R. Hawkins, Esq.  
Gregory Mauro, Esq.  
Michael Calvo, Esq.  
James Hawkins APLC  
9880 Research Drive, Suite 200  
Irvine, CA 92618  
Phone: (949) 387-7200

Defendant's Attorneys

John S. Battenfeld, Esq.  
Eldrin A. Masangkay, Esq.  
Morgan, Lewis & Bockius LLP  
300 South Grand Avenue  
Twenty-Second Floor  
Los Angeles, CA 90071-3132  
Phone: (213) 612-2500

**SUMMARY OF THE SETTLEMENT**

**A. Why is there a Settlement?**

The Court did not decide in favor of Plaintiffs or Defendant. Plaintiffs believe they would have prevailed on their claims at a trial. Defendant believes Plaintiffs would not have prevailed and that the Court would have ruled that Plaintiffs' claims are meritless. Furthermore, Defendant does not believe that Plaintiffs would have won anything from a trial. There has been no trial. Instead, both sides have conducted detailed investigations and analysis of the facts and applicable law. Both sides agreed to a settlement, which is memorialized in the Class and Representative Action Settlement Agreement and Release ("Settlement Agreement" or "Stipulation of Settlement"), in order to avoid the further costs, risks, and uncertainty of a trial. Plaintiffs and Plaintiffs' Attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all Settlement Class members.

**B. Who is in the Settlement Class?**

The "Settlement Class" is defined as all persons who were employed by Defendant Ready Responders, Inc. as an hourly non-exempt employee in the State of California during the period from April 1, 2020 through March 31, 2021, who did not sign a "Separation Agreement and Waiver and Release of all Claims" related to Defendant's shutdown of California operations in March 2021. All members of the Settlement Class are also members of the "PAGA Settlement Group," defined in the Agreement as "all persons employed by Defendant as hourly non-exempt employees in the State of California from April 1, 2020 to March 30, 2021, regardless of whether they are also Class Members or Participating Class Members." Thus, each Settlement Class Member will receive a PAGA payment ("Individual PAGA Payment") and is bound by the PAGA Release, even if he or she chooses to opt out of the Settlement.

**C. What does the Settlement provide?**

**1. Total Settlement Amount.**

The Settlement provides that Defendant will pay One Hundred Thousand Dollars (\$100,000.00) (the "Total Settlement Amount") to settle the lawsuit.

2. Net Settlement Amount.

The "Net Settlement Amount" is the portion of the Total Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims ("Participating Settlement Class Members"). The Net Settlement Amount is the Total Settlement Amount less the following amounts that will be requested at the Final Approval Hearing and are subject to comment or objection by Participating Settlement Class Members. The Court will fix these amounts at the Final Approval Hearing.

(a) **Class Counsel's Attorneys' Fees** in an amount set by the Court, not to exceed \$33,333.33

(b) **Class Counsel's Documented Litigation Costs/Expenses** in an amount set by the Court, not to exceed \$4,230.99.

(c) **Service Payment to the Class Representatives** in an amount set by the Court, not to exceed \$5,000 each (\$10,000 total).

(d) **Settlement Administration Costs** which are currently estimated to not exceed \$4,000, for administering the settlement; and

(e) **PAGA Payments** in the total amount of \$10,000 for the settlement of claims arising under the PAGA. Seventy-Five percent (75%), or \$7,500, shall be paid to the California Labor and Workforce Development Agency ("LWDA"). The remaining Twenty-Five percent (25%), or \$2,500, will be distributed equally to all PAGA Settlement Group Members (approximately \$\_\_\_\_\_ each) for the release of their claims arising under PAGA

3. Individual Payment Amount and Individual PAGA Payment.

If you choose to participate in the class settlement, your share of the Net Settlement Amount will be determined by the formula detailed in Section E below. You will also receive an Individual PAGA Payment in the approximate amount of \$\_\_\_\_\_ each, whether or not you choose to participate in the class settlement.

**D. What Are You Giving Up To Get A Payment Or Stay In The Class?**

As of the Effective Date as defined in the Settlement Agreement, and subject to Defendant's full payment of all consideration due hereunder, the Participating Class Members, including Plaintiffs, release the Released Parties from the Released Claims. These releases will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment sent to his or her last known address or cashes and deposits any check for the Individual Settlement Payment.

As of the Effective Date as defined in the Settlement Agreement, and subject to Defendant's full payment of all consideration due hereunder, all PAGA Settlement Group Members release the Released Parties from the PAGA Release.

The "Released Claims" are any and all claims and/or causes of action under any state, local or federal law or administrative order by Participating Class Members against Released Parties that were or could have been pled based on the allegations of the original and amended Complaints in the Lawsuits

and the Plaintiffs' LWDA notices, whether known or unknown, including but not limited to, any claim for: (1) Failure To Pay Regular Pay/Min. Wages in Violation of Labor Code §§ 510, 558, 1194, & 1194.2; (2) Failure To Pay Overtime Premium Pay in Violation of Labor Code §§ 510, 558, and 1194; (3) Failure To Provide Meal Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 226.7, 510, 512, 558, 1174, 1194, 1198, and IWC Wage Order 9-2001 § 11; (4) Failure to Provide Rest Periods or Compensation in Lieu Thereof in Violation of Labor Code §§ 226.7, 512, and IWC Wage Order 9-2001 § 12; (5) Failure To Reimburse For Necessary Expenditures in Violation of Labor Code § 2802; (6) Failure to Provide Accurate Itemized Wage Statements in violation of Labor Code §§ 226(a), (e), and (h), and 226.3; (7) Failure to Timely Pay Wages in Violation of Labor Code §§ 201-204; (8) Unlawful and Deceptive Business Practices in Violation of Business & Professions Code §§ 17200, et seq.; and (9) claims for PAGA Penalties (Cal. Labor Code §§ 2698 et seq.) based on such alleged violations, any derivative claims under the Fair Labor Standards Act ("FLSA") or any applicable California Industrial Welfare Commission Wage Order; related common law claims for conversion, other alleged tortious conduct, breach of contract, and misrepresentation; and any other derivative claims under California law including claims for statutory or civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. The period of the Released Claims will be from April 1, 2020 through May 31, 2021.

The "Released Parties" are Defendant and any of its former, present and/or future, direct and/or indirect, parents, companies, subsidiaries, affiliates, divisions, officers, directors, managers, owners, members, heirs, employees, partners, shareholders, attorneys, agents, fiduciaries, insurers, investors, predecessors, successors, assigns, executors, administrators, beneficiaries, legal representatives, or trustees. This definition includes, but is not limited to, Ready Responders California, P.C.

The "PAGA Release" is any and all claims and/or causes of action for civil penalties and other relief available pursuant to PAGA against Released Parties that were or could have been pled based on any and all of the underlying alleged Labor Code violations pled in the original and amended Complaints in the Litigation and the LWDA notices. Class Members who opt out of the Settlement will still be bound by the PAGA Release. The period of the PAGA Release will be from April 1, 2020 through May 31, 2021.

#### **E. How Is My Share Of The Settlement Calculated?**

As to Settlement Class Members, Individual Settlement Payments will be paid pursuant to the settlement formula as follows: (i) First, the Settlement Administrator will compute the total number of Eligible Workweeks (any workweek in which a Class Member worked for at least one day in California as an employee of Ready Responders in an hourly, non-exempt position during the Class Period, according to Ready Responder's records) of all Participating Class Members collectively during the Class Period; this sum shall be known as the Workweek Total; (ii) Second, the Settlement Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value for each Eligible Workweek (the "Workweek Value"); and (iii) Third, the Settlement Administrator will multiply the number of Eligible Workweeks of a Settlement Class Member during the Class Period by the Workweek Value to determine that Settlement Class Member's Individual Settlement Payment. The Settlement covers all workweeks from April 1, 2020 through March 31, 2021 in which a Settlement Class Member worked for Defendant in California.

Settlement Class Members will also be paid an Individual PAGA Payment, which is an equal share of the \$2,500 PAGA Payment allocated evenly to all PAGA Settlement Group Members. Settlement Class Members will receive their portion of the PAGA Payment regardless of their decision to opt out of the class settlement (i.e., Class Members who opt out will nevertheless receive their Individual PAGA Payment).

You are credited with [\_\_\_\_\_] workweeks during which you worked for at least one day in California as an employee of Ready Responders in an hourly, non-exempt position during the period April 2, 2020 and May 31, 2021, and you are entitled to an Individual Settlement Payment of approximately \$[\_\_\_\_\_] if you do not opt out of the class settlement and a PAGA payment of \_\_\_\_\_, regardless of whether you opt out of the settlement. These amounts are all subject to change based on the final ruling of the Court.

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than \_\_\_\_\_, 2022. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendant.

For tax purposes, each Individual Settlement Payment will be apportioned (a) 30% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 70% as penalties and interest (reported on an IRS Form 1099, if required). Individual PAGA Payments will be reported as penalties and reported on an IRS Form 1099, if required. All Individual Settlement Payments paid to Settlement Class Members will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

### **THE FINAL APPROVAL HEARING**

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Settlement Hearing") on \_\_\_\_\_, at \_\_\_\_\_ a/p.m., in the Courtroom of Judge Yvette M. Palazuelos of the Los Angeles County Superior Court, Department 9, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement, including the PAGA settlement, should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the settlement; (iv) the amount of the attorneys' fees and costs to be awarded to Plaintiffs' Attorneys; and (v) the amount that should be awarded to Plaintiffs as service payments. At the Final Settlement Hearing, the Court will hear all properly filed objections by Settlement Class Members, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself. You may object in person at the Settlement at this Final Approval Hearing as well.

### **WHAT ARE YOUR OPTIONS?**

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

**IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.** Your settlement payments will be mailed to you following final approval of the Settlement by the Court. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than \_\_\_\_\_. The Settlement Administrator's address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement in writing or in person at the Final Approval Hearing.

Any written objection ("Notice of Objection") must be mailed to the Settlement Administrator at [Settlement Administrator address] and be postmarked no later than \_\_\_\_\_. The date of mailing on the envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received. The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name and address of the objecting Settlement Class Member; (2) the basis for the objection; and (3) whether the Settlement Class Member intends to appear at the final approval hearing. Class Counsel will ensure that any Notice of Objection timely sent to the Settlement Administrator is filed with the Court. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant with this notice no later than \_\_\_\_\_. Any Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT AND RELEASE OF NON-PAGA CLAIMS**

You have a right to exclude yourself ("opt out") from the Settlement Class and release of non-PAGA claims, but if you choose to do so, you will not receive any benefits from the proposed settlement. However, you will still receive your Individual PAGA Payment because the Request for Exclusion does not apply to this claim. With the exception of the PAGA Release, if you submit a request for exclusion, you will not be bound by a judgment in this case and you will have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. You can opt out of the Class by sending a letter to the Settlement Administrator at [Settlement Administrator address], postmarked no later than \_\_\_\_\_, which must set forth your name, present address, and a statement that you are electing to be excluded from the Class Settlement. The Request for Exclusion shall not be effective as to the release of claims rising under PAGA, and Class Members who opt-out of the Settlement will nevertheless release Released Claims that arise under PAGA.

### **ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?**

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed "Class and Representative Action Settlement Agreement and Release" which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012.

**IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, you may contact the Settlement Administrator at [address], [telephone number].

**PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.**

**BY ORDER OF THE SUPERIOR COURT OF  
THE STATE OF CALIFORNIA**

# **EXHIBIT 2**

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\*\*\*Additional Counsel Listed on Next Page

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF LOS ANGELES**

MARIA KUZMINOVA and RYAN MUNOZ,  
individually and on behalf of all others  
similarly situated,

Plaintiffs,

v.

READY RESPONDERS, INC., a Delaware  
Corporation; and DOES 1-10, inclusive,

Defendants.

CASE NO.: 21STCV13080  
Consolidated with Case No. 21STCV07377  
Hon. Judge: Yvette M. Palazuelos

**CONSOLIDATED CLASS AND  
REPRESENTATIVE ACTION  
COMPLAINT FOR:**

1. Failure to Pay Wages Including Overtime as Required by Labor Code §§ 510 and 1194
2. Failure to Provide Meal Periods as Required by Labor Code §§ 226.7, 512
3. Failure to Provide Rest Periods as Required by Labor Code §§ 226.7, 512
4. Failure to Pay Timely Wages Required by Labor Code § 203
5. Failure to Provide Accurate Itemized Wage Statements Required by Labor Code § 226
6. Failure to Indemnify Necessary Business Expenses Required by Labor Code §2802
7. Violation of Business & Professions Code § 17200, et seq.
8. Private Attorneys General Act of 2004 ("PAGA")

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17 Attorneys for Plaintiff RYAN MUNOZ,  
18 individually and on behalf of all others similarly situated

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1 Plaintiffs MARIA KUZMINOVA and RYAN MUNOZ ("Plaintiffs"), individually and on  
2 behalf of all others similarly situated (hereinafter collectively referred to as the "Class" or "Class  
3 Member"), hereby files this Complaint against Defendants READY RESPONDERS, INC., and  
4 DOES 1-50, inclusive (collectively "Defendants") and alleges on information and belief as follows:

5 **I. JURISDICTION AND VENUE**

6 1. This class and representative action is brought pursuant to California Code of Civil  
7 Procedure §382. The monetary damages and restitution sought by Plaintiff exceed the minimum  
8 jurisdiction limits of the California Superior Court and will be established according to proof at trial.

9 2. This Court has jurisdiction over this action pursuant to the California Constitution  
10 Article VI §10, which grants the California Superior Court original jurisdiction in all causes except  
11 those given by statute to other courts. The statutes under which this action is brought do not give  
12 jurisdiction to any other court.

13 3. This Court has jurisdiction over Defendant because, upon information and belief,  
14 each Defendant either has sufficient minimum contacts in California, or otherwise intentionally  
15 avails itself of the California market so as to render the exercise of jurisdiction over it by the  
16 California Courts consistent with traditional notions of fair play and substantial justice.

17 4. The California Superior Court also has jurisdiction in this matter because the individual  
18 claims of the members of the Classes herein are under the seventy-five thousand dollar (\$75,000.00)  
19 jurisdictional threshold for Federal Court and the aggregate claim, including attorneys' fees, is under  
20 the five million dollar (\$5,000,000.00) threshold of the Class Action Fairness Act of 2005. Further,  
21 there is no federal question at issue, as the issues herein are based solely on California statutes and law,  
22 including the Labor Code, IWC Wage Orders, CCP, California Civil Code ("CC") and B&PC.

23 5. Venue is proper in this Court because upon information and belief, one or more of  
24 the Defendants, reside, transact business, or have offices in this County and/or the acts or omissions  
25 alleged herein took place in this County.

26 **II. PARTIES**

27 6. Plaintiff, RYAN MUNOZ, was at all times relevant to this action, a resident of  
28 California. Plaintiff was employed by Defendants in approximately May 2020 as a Non-Exempt

1 Employee and worked during the liability period for Defendants as a Paramedic, until his separation  
2 from Defendants' employ in approximately December 2020.

3 7. Plaintiff MARIA KUZMINOVA was employed by Defendants from April 2020 to  
4 June 2020 as non-exempt employee in Los Angeles, California. During her work with Defendants,  
5 Plaintiff was:

- 6 a. Willfully denied the payment of all minimum and overtime wages due;
- 7 b. Willfully denied rest periods or compensation in lieu thereof;
- 8 c. Willfully denied meal periods or compensation in lieu thereof;
- 9 d. Willfully denied the payment of all expense reimbursement due;
- 10 e. Willfully denied accurately itemized wage statements; and
- 11 f. Denied the timely payment of wages upon separation of her employment

12 8. Defendants READY RESPONDERS, INC., operates as a telemedicine health  
13 group providing healthcare services such as paramedics, EMTs, and nurses to various clients across  
14 the United States, including California. Plaintiff estimates there are in excess of 100 Non-Exempt  
15 Employees who work or have worked for Defendants over the last four years.

16 9. Other than identified herein, Plaintiffs are unaware of the true names, capacities,  
17 relationships, and extent of participation in the conduct alleged herein, of the Defendants sued as  
18 DOES 1 through 50, but is informed and believes and thereon alleges that said defendants are legally  
19 responsible for the wrongful conduct alleged herein and therefore sues these defendants by such  
20 fictitious names. Plaintiffs will amend this complaint when their true names and capabilities are  
21 ascertained.

22 10. Plaintiffs are informed and believe and thereon allege that each defendant, directly  
23 or indirectly, or through agents or other persons, employed Plaintiff and other members of the Class,  
24 and exercised control over their wages, hours, and working conditions. Plaintiffs are informed and  
25 believe and thereon allege that each Defendant acted in all respects pertinent to this action as the  
26 agent of the other Defendants, carried out a joint scheme, business plan or policy in all respects  
27 pertinent hereto, and the acts of each Defendant are legally attributable to the other defendants.  
28

1 **III. CLASS ACTION ALLEGATIONS**

2 11. Plaintiff brings this action individually and on behalf of all others similarly  
3 situated as a class action pursuant to Code of Civil Procedure § 382. The members of the Class are  
4 defined as follows:

5 All persons who were employed by Defendant as an hourly non-exempt employee in  
6 the State of California during the Class Period, who did not sign a "Separation  
7 Agreement and Waiver and Release of all Claims" related to Defendant's shutdown  
8 of California operations in March 2021.

9 12. Plaintiffs reserve the right under California Rule of Court 3.765(b) and other  
10 applicable laws to amend or modify the class definition with respect to issues or in any other ways.  
11 Plaintiff is a member of the Class as well as each of the Sub-Classes.

12 13. The term "Class" includes Plaintiffs and all members of the Class and each of the  
13 Sub-Classes, if applicable. Plaintiffs seek class-wide recovery based on the allegations set forth in  
14 this complaint.

15 14. There is a well-defined community of interest in the litigation and the proposed  
16 Class is easily ascertainable through the records Defendants are required to keep.

17 15. Numerosity. The members of the Class are so numerous that individual joinder  
18 of all of them as plaintiffs is impracticable. While the exact number of the Class members is  
19 unknown to Plaintiff at this time, Plaintiffs are informed and believe and thereon allege that there  
20 are at least 100 (one hundred) Class members.

21 16. Commonality. Common questions of law and fact exist as to all Class members  
22 and predominate over any questions that affect only individual members of the Class. These  
23 common questions include, but are not limited to:

24 i. Whether Defendants failed to pay minimum wage compensation to Plaintiffs  
25 and Class Members for all hours worked;

26 ii. Whether Defendants failed to accurately pay overtime to Plaintiffs and Class  
27 Members;

28 iii. Whether Defendants violated Labor Code sections 226.7, 512, and applicable

1 IWC Wage Orders, by failing to authorize and permit daily rest periods to Plaintiffs and Class  
2 Members for every four hours or major fraction thereof worked and failing to compensate said  
3 employees one hours wages in lieu of rest periods;

4 iv. Whether Defendants violated Labor Code sections 226.7, 512 and applicable  
5 IWC Wage Orders, by failing to provide a meal period to Plaintiffs and Class Members on days they  
6 worked work periods in excess of six and 10 hours and failing to compensate said employees one  
7 hour wages in lieu of meal periods;

8 v. Whether Defendants failed to maintain accurate time record including  
9 recording Plaintiffs and Class Members' meal periods pursuant to Labor Code sections 1174.5 and  
10 the applicable IWC Wage Orders;

11 vi. Whether Defendants failed provide accurate itemized wage statements  
12 pursuant to Labor Code sections 226;

13 vii. Whether Defendants failed to reimburse business expenses incurred pursuant  
14 to Labor Code section 2802,

15 viii. Whether Defendants violated Business and Professions Code and Labor Code  
16 sections 201-202, 510, 226.7, 226, 226.3, 512, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 2802,  
17 and applicable IWC Wage Orders which violation constitutes a violation of fundamental public  
18 policy; and

19 ix. Whether Plaintiffs and the Members of the Plaintiffs' Class are entitled to  
20 equitable relief pursuant to Business and Professions Code section 17200, *et. seq.*

21 x. Whether Plaintiffs and the Members of the Plaintiffs' Class are entitled to  
22 relief in the form of back wages, penalties and interest for failure to pay minimum wages pursuant  
23 to Labor Code sections 558, 1194 and 1197.

24 17. Typicality. Plaintiffs' claims herein alleged are typical of those claims which  
25 could be alleged by any member of the Class and/or Subclass, and the relief sought is typical of the  
26 relief which would be sought by each member of the Class and/or Subclass in separate actions.  
27 Plaintiffs and all members of the Class and or Subclass sustained injuries and damages arising out  
28 of and caused by Defendants' common course of conduct in violation of California laws, regulations,

1 and statutes as alleged herein.

2 18. Adequacy. Plaintiffs are qualified to and will fairly and adequately protect the  
3 interests of each member of the Class and/or Subclass with whom she has a well-defined community  
4 of interest and typicality of claims, as demonstrated herein. Plaintiffs acknowledge an obligation to  
5 make known to the Court any relationships, conflicts, or differences with any member of the Class  
6 and/or Subclass. Plaintiffs' attorneys and the proposed Counsel for the Class and Subclass are  
7 versed in the rules governing class action discovery, certification, litigation, and settlement and  
8 experienced in handling such matters. Other former and current employees of Defendants may also  
9 serve as representatives of the Class and Subclass if needed.

10 19. Superiority. A class action is superior to other available means for the fair and  
11 efficient adjudication of the claims of the Class and would be beneficial for the parties and the court.  
12 Class action treatment will allow a large number of similarly situated persons to prosecute their  
13 common claims in a single forum, simultaneously, efficiently, and without the unnecessary  
14 duplication of effort and expense that numerous individual actions would require. The damages  
15 suffered by each Class member are relatively small in the sense pertinent to class action analysis,  
16 and the expense and burden of individual litigation would make it extremely difficult or impossible  
17 for the individual Class Members to seek and obtain individual relief. A class action will serve an  
18 important public interest by permitting such individuals to effectively pursue recovery of the sums  
19 owed to them. Further, class litigation prevents the potential for inconsistent or contradictory  
20 judgments raised by individual litigation.

21 20. Public Policy Considerations: Employers in the state of California violate  
22 employment and labor laws every day. Current employees are often afraid to assert their rights out  
23 of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because  
24 they believe their former employers may damage their future endeavors through negative references  
25 and/or other means. The nature of this action allows for the protection of current and former  
26 employees' rights without fear of retaliation or damage.

27 **IV. FACTUAL ALLEGATIONS**

28 21. At all times set forth herein, Defendants employed Plaintiffs and other persons in the

1 capacity of non-exempt positions, however titled, throughout the state of California.

2 22. Plaintiffs are informed and believe Class Members have at all times pertinent hereto  
3 been Non-Exempt within the meaning of the California Labor Code and the implementing rules and  
4 regulations of the IWC California Wage Orders.

5 23. Defendants employed Plaintiff as a Non-Exempt hourly paid employee during the  
6 liability period working in Los Angeles County.

7 24. Defendants continue to employ Non-Exempt Employees, however titled, in  
8 California and implement a uniform set of policies and practices to all non-exempt employees, as  
9 they were all engaged in the generic job duties of providing healthcare services.

10 25. Plaintiffs are informed and believe, and thereon alleges, that Defendants are and were  
11 advised by skilled lawyers and other professionals, employees, and advisors with knowledge of the  
12 requirements of California's wage and employment laws.

13 26. During the relevant time frame, Defendants compensated Plaintiffs and Class  
14 Members based upon an hourly rate.

15 27. On information and belief, during the relevant time frame, Plaintiffs and Class  
16 Members frequently worked well over eight (8) hours in a day and forty (40) hours in a work week.  
17 Plaintiffs and Class Members were typically scheduled to work shifts beginning at 2:00 p.m. and  
18 concluding at 10:00 p.m. or shifts beginning at 1:00 p.m. and concluding at 9:00 p.m., five days a  
19 week.

20 28. Plaintiffs are informed and believe that Plaintiffs and Class Members were not  
21 compensated for all time worked as Plaintiffs and Class Members as a result of off-the-clock work  
22 performed while working through their meal periods

23 29. On information and belief, Defendants also failed to pay wages and overtime wages  
24 as a result of unlawful deductions for 30-minute meal periods that were late, cut short, interrupted,  
25 or never provided.

26 30. Plaintiff and the Class Members were regularly required to work shifts in excess of  
27 five hours without being provided a lawful meal period and over ten hours in a day without being  
28 provided a second lawful meal period as required by law.

1        31.     Indeed, during the relevant time, as a consequence of Defendants' staffing and  
2 scheduling practices, lack of coverage, work demands, and Defendants' policies and practices,  
3 Defendants frequently failed to provide Plaintiff and the Class Members timely, legally complaint  
4 uninterrupted 30-minute meal periods on shifts over five hours as required by law.

5        32.     Similarly, as a consequence of Defendants' staffing and scheduling practices, lack of  
6 coverage, work demands, and Defendants' policies and practices, Defendants frequently failed to  
7 provide Plaintiff and the Class Members legally compliant second meal periods on shifts over ten  
8 hours as required by law.

9        33.     On information and belief, Plaintiffs and Class Members did not waive their rights  
10 to meal periods under the law.

11       34.     Plaintiff and the Class Members were not provided with valid lawful on-duty meal  
12 periods.

13       35.     Despite the above-mentioned meal period violations, Defendants failed to  
14 compensate Plaintiff, and on information and belief, failed to compensate Class Members, one  
15 additional hour of pay at their regular rate as required by California law when meal periods were  
16 not timely or lawfully provided in a compliant manner.

17       36.     Plaintiffs are informed and believe, and thereon alleges, that Defendants know,  
18 should know, knew, and/or should have known that Plaintiff and the other Class Members were  
19 entitled to receive premium wages based on their regular rate of pay under Labor Code §226.7 but  
20 were not receiving such compensation.

21       37.     In addition, during the relevant time frame, Plaintiffs and the Non-Exempt  
22 Employees were systematically not authorized and permitted to take one net ten-minute paid, rest  
23 period for every four hours worked or major fraction thereof, which is a violation of the Labor Code  
24 and IWC wage order.

25       38.     Defendants maintained and enforced scheduling practices, policies, and imposed  
26 work demands that frequently required Plaintiffs and Class Members to forego their lawful, paid  
27 rest periods of a net ten minutes for every four hours worked or major fraction thereof. Such requisite  
28 rest periods were not timely authorized and permitted as a result of Defendants' failure to provide

1 relief for Plaintiffs and Class Members to take their lawfully required breaks.

2 39. Despite the above-mentioned rest period violations, Defendants did not compensate  
3 Plaintiffs, and on information and belief, did not pay Class Members one additional hour of pay at  
4 their regular rate as required by California law, including Labor Code section 226.7 and the  
5 applicable IWC wage order, for each day on which lawful rest periods were not authorized and  
6 permitted.

7 40. Defendants also failed to provide accurate, lawful itemized wage statements to  
8 Plaintiff and the Class Members in part because of the above specified violations. In addition, upon  
9 information and belief, Defendants omitted an accurate itemization of total hours worked, including  
10 premiums due and owing for meal and rest period violations, gross pay and net pay figures from  
11 Plaintiff and the Class Members' wage statements. Defendants also failed to incorporate accurate  
12 rates of pay for travel time as Defendants would also compensate Plaintiffs and Class Members on  
13 a per mile basis.

14 41. Plaintiffs are informed and believe, and thereon alleges, that at all times herein  
15 mentioned, Defendants knew that at the time of termination of employment (or within 72 hours  
16 thereof for resignations without prior notice as the case may be) they had a duty to accurately  
17 compensate Plaintiffs and Class Members for all wages owed including minimum wages, meal and  
18 rest period premiums, and that Defendants had the financial ability to pay such compensation, but  
19 willfully, knowingly, recklessly, and/or intentionally failed to do so in part because of the above-  
20 specified violations.

21 42. Upon information and belief, Defendants knew and or should have known that it is  
22 improper to implement policies and commit unlawful acts such as:

23 (a) requiring employees to work four (4) hours or a major fraction thereof without being  
24 provided a minimum ten (10) minute rest period and without compensating the employees with one  
25 (1) hour of pay at the employees' regular rate of compensation for each workday that a rest period  
26 was not provided;

27 (b) requiring employees to work in excess of five (5) hours or ten (10) hours per day  
28 without being provided an uninterrupted thirty-minute meal period and/or a second meal period, and

1 without compensating employees with one (1) hour of pay at the regular rate of compensation for  
2 each workday that such a meal period was not provided;

3 (c) failing to pay Plaintiffs and Class Members for all wages including overtime wages  
4 owed;

5 (d) failing to timely pay Plaintiffs and Class Members;

6 (e) failing to provide accurate itemized wage statements;

7 (f) failing to reimburse business expenses; and

8 (g) conducting and engaging in unfair business practices.

9 43. In addition to the violations above, and on information and belief, Defendants knew  
10 they had a duty to compensate Plaintiffs and Class Members for the allegations asserted herein and  
11 that Defendants had the financial ability to pay such compensation, but willfully, knowingly,  
12 recklessly, and/or intentionally failed to do so.

13 44. Plaintiffs and Class Members they seek to represent are covered by, and Defendants  
14 are required to comply with, applicable California Labor Codes, Industrial Welfare Commission  
15 Occupational Wage Orders (hereinafter "IWC Wage Orders") and corresponding applicable  
16 provisions of California Code of Regulations, Title 8, section 11000 *et seq.*

17 **FIRST CAUSE OF ACTION**

18 **FAILURE TO PAY WAGES INCLUDING OVERTIME**

19 **(Against All Defendants)**

20 45. Plaintiffs incorporate and re-allege each and every allegation contained above as  
21 though fully set forth herein.

22 46. At all times relevant, the IWC wage orders applicable to Plaintiffs and the Class  
23 require employers to pay its employees for each hour worked at least minimum wage. "Hours  
24 worked" means the time during which an employee is subject to the control of an employer and  
25 includes all the time the employee is suffered or permitted to work, whether or not required to do  
26 so, and in the case of an employee who is required to reside on the employment premises, that time  
27 spent carrying out assigned duties shall be counted as hours worked.

28 47. At all relevant times, Labor Code §1197 provides that the minimum wage for

1 employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a  
2 lesser wage than the established minimum is unlawful. Further, pursuant to the IWC Wage Order  
3 and Labor Code, Plaintiffs and Class Members are to be paid minimum wage for each hour worked,  
4 and cannot be averaged At all times relevant, the IWC wage orders applicable to Plaintiffs and Class  
5 Members' employment by Defendants provided that employees working for more than eight (8)  
6 hours in a day or forty (40) hours in a work week are entitled to overtime compensation at the rate  
7 of one and one-half times the regular rate of pay for all hours worked in excess of eight (8) hours in  
8 a day or forty (40) hours in a work week. An employee who works more than twelve (12) hours in  
9 a day is entitled to overtime compensation at a rate of twice the regular rate of pay.

10 48. At all relevant times, Labor Code §1197.1 states "[a]ny employer or other persons  
11 acting individually as an officer, agent, or employee of another person, who pays or causes to be  
12 paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by  
13 an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated  
14 damages payable to the employee, and any applicable penalties pursuant to Section 203.

15 49. Labor Code §510 codifies the right to overtime compensation at the rate of one and  
16 one-half times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or  
17 forty (40) hours in a work week and to overtime compensation at twice the regular rate of pay for  
18 hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the  
19 seventh day of work in a particular work week.

20 50. At all times relevant, Plaintiffs and Class Members regularly performed non-exempt  
21 work and thus were subject to the overtime requirements of the IWC Wage Orders, CCR § 11000,  
22 et. seq. and the Labor Code.

23 51. At all times relevant, Plaintiffs and Class Members consistently worked in excess of  
24 eight (8) hours in a day and/or forty (40) hours in a week as a result of the off-the-clock work  
25 performed as discussed above.

26 52. Defendants also failed to pay all wages and overtime wages due to Defendant's  
27 automatic deduction of 30 minutes of time for meal periods that were short, interrupted, late, or not  
28 provided.

53. Accordingly, Defendants owe Plaintiffs and Class Members minimum and overtime wages and have failed to pay Plaintiffs and Class Members these wages owed.

54. Pursuant to Labor Code §§ 510, 558 and 1194, Plaintiffs and Class Members are entitled to recover their unpaid wages and overtime compensation, as well as interest, costs, and attorneys' fees.

## SECOND CAUSE OF ACTION

## FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF

**(Against All Defendants)**

55. Plaintiffs incorporate and re-allege each and every allegation contained above as though fully set forth herein.

56. Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all of his or her duties. 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 meal period of not less than thirty (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

57. Pursuant to the IWC wage orders applicable to Plaintiffs and Class Members' employment by Defendants, in order for an "on duty" meal period to be permissible, the nature of the work of the employee must prevent an employee from being relieved of all duties relating to his or her work for the employer and the employees must consent in writing to the "on duty" meal period. On information and belief, Plaintiffs and Class Members did not consent in writing to an "on duty" meal period. Further, the nature of the work of Plaintiffs and Class Members was not such that they were prevented from being relieved of all duties. Despite the requirements of the IWC wage orders applicable to Plaintiffs' and Class Members' employment by Defendants and Labor Code §512 and §226.7, Defendants did not provide Plaintiffs and Class Members with all their statutorily authorized meal periods.

11

1        58. For the four (4) years preceding the filing of this lawsuit, Defendants failed to provide  
2 Plaintiffs and Class Members, timely and uninterrupted meal periods of not less than thirty (30)  
3 minutes pursuant to the IWC wage orders applicable to Plaintiffs and Class Members' employment  
4 by Defendants. As a proximate result of the aforementioned violations, Plaintiff and the other Class  
5 Members have been damaged in an amount according to proof at time of trial.

6        59. By their failure to provide a compliant meal period for each shift worked over five  
7 (5) hours and their failure to provide a compliant second meal period for any shift worked over ten  
8 (10) hours per day by Plaintiff and the Class Members, and by failing to provide compensation in  
9 lieu of such non-provided meal periods, as alleged above, Defendants violated the provisions of  
10 Labor Code sections 226.7 and 512 and applicable IWC Wage Orders.

11        60. Plaintiff and the Class Members did not voluntarily or willfully waive meal periods  
12 and were regularly required to work shifts without being provided all of their legally required meal  
13 periods. Defendants created a working environment in which Plaintiffs and Class Members were  
14 not provided all of their meal periods due to shift scheduling and/or work related demands placed  
15 upon them by Defendants as well as a lack of sufficient staffing to meet the needs of Defendants'  
16 business as discussed above. On information and belief, Defendants implemented a policy and  
17 practice which resulted in systematic and class-wide violations of the Labor Code. On information  
18 and belief, Defendants' violations have been widespread throughout the liability period and will be  
19 evidenced by Defendants' time records for the Class Members.

20        61. As a result of the unlawful acts of Defendants described herein, Plaintiff and the  
21 Class Members they seek to represent have been deprived of premium wages in amounts to be  
22 determined at trial. Pursuant to Labor Code §226.7, Plaintiffs and Class Members are entitled to  
23 recover one (1) hour of premium pay for each day in which a meal period was not provided, along  
24 with interest and penalties thereon, attorneys' fees, and costs.

25                                    **THIRD CAUSE OF ACTION**

26                    **FAILURE TO PROVIDE REST PERIODS OR COMPENSATION IN LIEU THEREOF**

27                                    **(Against All Defendants)**

28        62. Plaintiffs incorporate and re-allege each and every allegation contained above as

1 though fully set forth herein.

2 63. Pursuant to the IWC wage orders applicable to Plaintiffs and Class Members'  
3 employment by Defendants, "Every employer shall authorize and permit all employees to take rest  
4 periods, which insofar as practicable shall be in the middle of each work period.... [The] authorized  
5 rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest  
6 time per four (4) hours worked or major fraction thereof.... Authorized rest period time shall be  
7 counted as hours worked, for which there shall be no deduction from wages." Labor Code §226.7(a)  
8 prohibits an employer from requiring any employee to work during any rest period mandated by an  
9 applicable order of the IWC.

10 64. Defendants were required to authorize and permit employees such as Plaintiffs and  
11 Class Members to take rest periods, based upon the total hours worked at a rate of ten (10) minutes  
12 net rest per four (4) hours worked, or major fraction thereof, with no deduction from wages. Despite  
13 said requirements of the IWC wage orders applicable to Plaintiffs' and Class Members' employment  
14 by Defendants, Defendants failed and refused to authorize and permit Plaintiffs and Class Members,  
15 to take ten (10) minute rest periods for every four (4) hours worked, or major fraction thereof.

16 65. On information and belief Defendants created a working environment in which  
17 Plaintiffs and Class Members were not provided all of their rest periods due to shift scheduling  
18 and/or work related demands placed upon them by Defendants as well as a lack of sufficient staffing  
19 to meet the needs of Defendants' business as discussed above. On information and belief,  
20 Defendants implemented a policy and practice which resulted in systematic and class-wide  
21 violations of the Labor Code. On information and belief, Defendants' violations have been  
22 widespread throughout the liability period.

23 66. As a proximate result of the aforementioned violations, Plaintiffs and Class Members  
24 have been damaged in an amount according to proof at time of trial. Pursuant to Labor Code §226.7,  
25 Plaintiffs and Class Members are entitled to recover one (1) hour of premium pay for each day in  
26 which Defendants failed to provide a rest period to Plaintiff and the Class, plus interest and penalties  
27 thereon, attorneys' fees, and costs.

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**FOURTH CAUSE OF ACTION**

**FAILURE TO PAY TIMELY PAY WAGES**

**(Against All Defendants)**

67. Plaintiffs incorporate and re-allege each and every allegation contained above as though fully set forth herein.

68. Labor Code §§201-202 requires an employer who discharges an employee to pay compensation due and owing to said employee immediately upon discharge 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 on their last day of work.

69. Labor Code §203 provides that if an employer willfully fails to pay compensation promptly upon discharge, as required by Labor Code §§201-202, the employer is liable for waiting time penalties in the form of continued compensation for up to thirty (30) work days.

70. During the relevant time period, Defendants willfully failed and refused, and continue to willfully fail and refuse, to pay Plaintiffs and Class Members their wages, earned and unpaid, either at the time of discharge, or within seventy-two (72) hours of their voluntarily leaving Defendants' employ. These wages include regular and overtime.

71. As a result, Defendants are liable to Plaintiff and members of the Non-Exempt Production Employee class for waiting time penalties pursuant to Labor Code §203, in an amount according to proof at the time of trial.

**FIFTH CAUSE OF ACTION**

**FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

**(Against All Defendants)**

72. Plaintiffs incorporate and re-allege each and every allegation contained above as though fully set forth herein.

73. Section 226(a) of the California Labor Code requires Defendants to itemize in wage statements all deductions from payment of wages and to accurately report total hours worked by

1 Plaintiff and the Class including applicable hourly rates and reimbursement expenses among other  
2 things. Defendants have knowingly and intentionally failed to comply with Labor Code section 226  
3 and 204 on wage statements that have been provided to Plaintiff and the Class.

4 74. IWC Wage Orders require Defendants to maintain time records showing, among  
5 others, when the employee begins and ends each work period, meal periods, split shift intervals and  
6 total daily hours worked in an itemized wage statement and must show all deductions and  
7 reimbursements from payment of wages, and accurately report total hours worked by Plaintiff and  
8 the Class. On information and belief, Defendants have failed to record all or some of the items  
9 delineated in Industrial Wage Orders and Labor Code §226.

10 75. Defendants have failed to accurately record all time worked and failed to incorporate  
11 the accurate rates of pay when compensating Plaintiffs and Class Members for travel time on a per  
12 mile basis.

13 76. Defendants have also failed to accurately record the meal and rest period premiums  
14 owed and all wages owed per pay period.

15 77. Plaintiff and the Class have been injured as they were unable to determine whether  
16 they had been paid correctly for all hours worked per pay period among other things.

17 78. Pursuant to Labor Code section 226, Plaintiff and the Class are entitled up to a  
18 maximum of \$4,000 each for record keeping violations.

19 79. Pursuant to Labor Code section 266.3, any employer who violates subdivision (a) of  
20 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per  
21 employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each  
22 violation in a subsequent citation, for which the employer fails to provide the employee a wage  
23 deduction statement or fails to keep the records required in subdivision (a) of Section 226

24 80. As a result of the unlawful acts of Defendants, Plaintiff and the Class Members have  
25 been deprived of un-reimbursed expense amounts to be determined at trial, and are entitled to the  
26 recovery of such amounts, plus interest and penalties thereon, attorneys' fees, and costs, pursuant to  
27 Labor Code §§ 226.

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**SIXTH CAUSE OF ACTION**

**FAILURE TO INDEMNIFY NECESSARY BUSINESS EXPENSES**

**(Against All Defendants)**

81. Plaintiffs incorporate and re-allege each and every allegation contained above as though fully set forth herein.

82. Pursuant to California Labor Code § 2802, Defendants are required to fully reimburse Plaintiff and Class Members for all out-of-pocket expenses incurred by them in the performance of their job duties.

83. Plaintiff and Class Members to were required to use their personal cellular phones as part of their work tasks for Defendants, but were not fully reimbursed by Defendants for these expenses.

84. As a proximate result of the aforementioned violations, Plaintiff and members of the Class have been damaged in an amount according to proof at the time of trial.

85. Pursuant to Labor Code § 2802, Plaintiff and members of the Class are entitled to recover from Defendants the full amount of the expenses they incurred in the performance of their job duties that have not been reimbursed, plus interest, reasonable attorney's fees, and costs of suit.

**SEVENTH CAUSE OF ACTION**

**VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200, et.seq.**

**(Against All Defendants)**

86. Plaintiffs incorporate and re-allege each and every allegation contained above as though fully set forth herein.

87. Defendants' conduct, as alleged in this complaint, has been, and continues to be, unfair, unlawful, and harmful to Plaintiffs and Class Members, Defendants' competitors, and the general public. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of the California Code of Civil Procedure §1021.5.

88. Defendants' policies, activities, and actions as alleged herein, are violations of California law and constitute unlawful business acts and practices in violation of California Business

1 and Professions Code §§17200, et seq.

2 89. A violation of California Business and Professions Code §§17200, et seq., may be  
3 predicated on the violation of any state or federal law. Defendants' policy of failing to pay Plaintiffs  
4 and Class Members all wages due and owing including overtime wages, and to provide Plaintiff and  
5 the Class with meal periods and rest breaks or the one (1) hour of premium pay when a meal or rest  
6 break period was not provided or provided outside of the required time frames, violates Labor Code  
7 § 226, §512, §1194, §510, and §226.7 and applicable IWC Wage Orders and California Code of  
8 Regulations.

9 90. Plaintiffs and Class Members have been personally aggrieved by Defendants'  
10 unlawful and unfair business acts and practices alleged herein by the loss of money and/or property.

11 91. Pursuant to California Business and Professions Code §§17200, et seq., Plaintiffs  
12 and Class Members are entitled to restitution of the wages withheld and retained by Defendants  
13 during a period that commences four (4) years prior to the filing of this complaint; an award of  
14 attorneys' fees, interest; and an award of costs.

15 **EIGHTH CAUSE OF ACTION**

16 **PRIVATE ATTORNEYS GENERAL ACT OF 2004 ("PAGA")**

17 **(By Plaintiffs and Class Against All Defendants)**

18 92. Plaintiffs incorporate and re-allege each and every allegation contained above as  
19 though fully set forth herein.

20 93. Pursuant to Labor Code § 2699.3, (a) A civil action by an aggrieved employee  
21 pursuant to subdivision (a) or (f) of Section 2699 alleging a violation of any provision listed in  
22 Section 2699.5 shall commence only after the following requirements have been met:

23 (1) The aggrieved employee or representative shall give written notice by certified mail to  
24 the Labor and Workforce Development Agency and the employer of the specific provisions  
25 of this code alleged to have been violated, including the facts and theories to support the  
26 alleged violation.

27 (2) (A) The agency shall notify the employer and the aggrieved employee or representative  
28 by certified mail that it does not intend to investigate the alleged violation within sixty

(60) calendar days of the postmark date of the notice received pursuant to paragraph (1). Upon receipt of that notice or if no notice is provided within sixty-five (65) calendar days of the postmark date of the notice given pursuant to paragraph (1), the aggrieved employee may commence a civil action pursuant to Section 2699.

94. On February 24, 2021, Plaintiff Munoz complied with notice requirements pursuant to Labor Code section 2699.3. Sixty-five days have passed and the LWDA has not indicated intent to investigate the claims. Therefore, Plaintiff may proceed with this action in a representative capacity. The substance and violations set forth in this Complaint of which the LWDA was provided timely notice, Plaintiff has also sent a copy of this PAGA Representative Action Complaint to the LWDA.

95. On January 26, 2021, Plaintiff Kuzminova complied with notice requirements pursuant to Labor Code section 2699.3. Sixty-five days have passed and the LWDA has not indicated intent to investigate the claims. Therefore, Plaintiff may proceed with this action in a representative capacity. The substance and violations set forth in this Complaint of which the LWDA was provided timely notice.

96. Plaintiffs an aggrieved employees as defined in Labor Code Section 2699(a). Plaintiff brings this cause of action on behalf of all current and former California Non-Exempt Employees of Defendants.

97. Pursuant to Labor Code section 2699(a) Plaintiff seek to recover civil penalties for which Defendants are liable due to numerous Labor Code violations as set forth in this Complaint, including without limitation Labor Code section 201-203, 510, 512, 558, 226, 226.3, 226.7, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 2802, 2698 *et seq.*, and applicable IWC Wage Orders and California Code of Regulations, Title 8, section 11000 *et. seq.*

98. On information and belief, during the statutory liability period and continuing to the present ("PAGA liability period"), Defendant consistently maintained and enforced against Defendant's Non-Exempt Aggrieved Employees, among others, the following unlawful practices and policies, in violation of California state wage and hour laws: (a) failure to pay wages including overtime, (b) failure to provide meal periods for every work period exceeding more than ten (10)

1 hours per day and failure to pay an additional hour's of pay or accurately pay an additional hour's  
2 of pay in lieu of providing a meal period; (c) failure to provide rest breaks for every four hours or  
3 major fraction thereof worked and failure to pay an additional hour's of pay or accurately pay an  
4 additional hour's of pay in lieu of providing a rest period; (d) failing to pay all wages earned and  
5 owed upon separation from Defendant's employ, (e) failing to indemnify necessary business  
6 expenses, and (f) failing to provide accurate itemized wage statements.

7 99. As a result of their unlawful acts, Plaintiffs and the proposed class are entitled to civil  
8 penalties pursuant to Labor Code Private Attorney General Act of 2004, Labor Code §2698 *et. seq.*

9 100. WHEREFORE, Plaintiff and the aggrieved employees he seeks to represent requests  
10 relief as described herein and below.

11 **PRAYER FOR RELIEF**

12 WHEREFORE, Plaintiffs pray for judgment against Defendants, as follows:

13 **Class Certification**

- 14 1. That this action be certified as a class action;  
15 2. That Plaintiffs be appointed as the representative of the Class;  
16 3. That Plaintiffs be appointed as the representative of the Subclass; and  
17 4. That counsel for Plaintiffs are appointed as counsel for the Class and Subclass.

18 **On the First Cause of Action**

- 19 1. For compensatory damages equal to the unpaid balance of minimum wage  
20 compensation and overtime owed to Plaintiffs and Class Members as well as interest and costs;  
21 2. For reasonable attorneys' fees and costs pursuant to Labor Code §§ 510, and 1194;  
22 3. For liquidated damages in an amount equal to the wages unlawfully unpaid and  
23 interest thereon pursuant to Labor Code §§ 1194.2, 558;  
24 4. For such other and further relief as the Court deems proper.

25 **On the Second Cause of Action**

- 26 1. For one (1) hour of premium pay for each day in which a required meal period was  
27 not provided or not provided in a timely manner; and  
28 2. For such other and further relief as the Court deems proper.

On the Third Cause of Action

1. For one (1) hour of premium pay for each day in which a required rest period was not authorized or permitted; and

2. For such other and further relief as the Court deems proper.

On the Fourth Cause of Action

1. For statutory penalties pursuant to Labor Code §203;

2. For interest for wages untimely paid; and

3. For such other and further relief as the Court deems proper.

On the Fifth Cause of Action

1. For statutory penalties pursuant to Labor Code §226;

2. For interest for wages untimely paid;

3. For penalties pursuant to Labor Code §226.3; and

4. For such other and further relief as the Court deems proper.

On the Sixth Cause of Action

1. For statutory penalties pursuant to Labor Code §2802;

2. For interest for wages untimely paid; and

3. For such other and further relief as the Court deems proper.

On the Seventh Cause of Action

1. That Defendants, jointly and/or severally, pay restitution of sums to Plaintiffs and Class Members for their past failure to, pay wages, premium wages for meal and/or rest periods, that were not provided as described herein to Plaintiffs and Class Members, and to reimburse expenses, over the last four (4) years in an amount according to proof;

2. For pre-judgment interest on any unpaid wages due from the day that such amounts were due;

3. For reasonable attorneys' fees that Plaintiffs and Class Members are entitled to recover;

4. For costs of suit incurred herein; and

5. For such other and further relief as the Court deems proper.

On the Eighth Cause of Action

1. For statutory penalties pursuant to Labor Code §2698 et. seq.; and
2. For such other and further relief as the Court deems proper;

**DEMAND FOR JURY TRIAL**

Plaintiff and members of the Class and Subclass request a jury trial in this matter.

Dated: January 11, 2022

JAMES HAWKINS APLC

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

JAMES R. HAWKINS, ESQ.  
GREGORY MAURO, ESQ.  
MICHAEL CALVO, ESQ.  
Attorneys for Plaintiffs

Dated: January 11, 2022

GAINES & GAINES  
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