

STIPULATION OF SETTLEMENT OF CLASS ACTION AND PAGA CLAIMS
AND RELEASE OF CLAIMS

This Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims is entered into by and between Plaintiff Aaron Baltayian (“Plaintiff”) individually and on behalf of all Settlement Class Members and Aggrieved Employees (as defined below), on the one hand, and Defendant JVS SoCal (“Defendant”), on the other hand, and is approved as to form by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval.

A. Definitions

1. “Action” or “Lawsuit” means and refers to the case entitled *Aaron Baltayian v. JVS SoCal*, Case No. 21STCV14982, which was filed in the Superior Court of California, County of Los Angeles (“Los Angeles Superior Court”).
2. “Agreement” or “Settlement Agreement” or “Settlement” shall mean this Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims, including any attached Exhibits.
3. “Aggrieved Employees” means all current and former employees of Defendant who worked in California at any time during the PAGA Period as non-exempt, hourly paid employees.
4. “Amended Complaint” shall refer to the First Amended Complaint to be filed by Plaintiff in the Action, which will include claims for civil penalties under the California Labor Code Private Attorneys General Act (“PAGA”) as set forth in the LWDA Letter. This Amended Complaint will be in the same form and substance as the Amended Complaint attached hereto as Exhibit A.
5. “Attorneys’ Fees and Costs Award” means the amount approved by the Court for Class Counsel’s attorneys’ fees and costs.
6. “Class Action” refers to the class-actions allegations set forth in the Complaint in the Action, and that will also be set forth in the Amended Complaint.
7. “Class Counsel” refers to Kane Moon and Lilit Ter-Astvatsatryan of Moon & Yang, APC.

8. “Class Data” means a complete list that Defendant will diligently and in good faith compile from its available records and provide to the Settlement Administrator and shall include, to the extent available, the Settlement Class Members’ full names, last known addresses, telephone numbers, Social Security Numbers, the total Pay Periods Worked during the PAGA Period for each Aggrieved Employee, and the total Work Weeks Worked during the Class Period for each Settlement Class Member.

9. “Class Notice” means the Notice of Settlement of Class Action that will be sent to the Settlement Class Members, attached hereto as Exhibit B.

10. “Class Period” is the period from April 20, 2017, through the Preliminary Approval Date.

11. “Class Representative” or “Plaintiff” means and refers to Aaron Baltayian.

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

13. “Defendant’s Counsel” or “Defense Counsel” means and refers to David A. Wimmer and Allison R. Musante of Swerdlow Florence Sanchez Swerdlow & Wimmer, A Law Corporation.

14. “Effective Date” occurs after the latest of the following dates is reached: (i) sixty-one (61) calendar days following the date the Court enters an order granting Final Approval of the Settlement, assuming no appeal, objection, or request to intervene is filed; or (ii) if a timely appeal, objection, or request to intervene is filed, the date of final resolution of that appeal, objection, or intervening action (including any requests for rehearing and/or petitions for writs of *certiorari*) resulting in final judicial approval of the Settlement.

15. “Final Approval” or “Final Approval Order” refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Settlement Agreement on substantially the terms provided herein or as may be modified by subsequent written agreement of the Parties.

16. “Final Approval Hearing” refers to the hearing at which the Court is requested to grant Final Approval of this Settlement Agreement.

17. “Final Settlement Class” means, collectively, all Settlement Class Members who have not opted out of the Settlement Class by submitting timely Requests for Exclusion.

18. “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph 59.a below, as the same may be escalated subject to Paragraph 59.a.i below.

19. “Individual Settlement Payment” shall have the meaning ascribed to it in Paragraph 59.c below.

20. “Individual PAGA Payment” shall refer to the individual payments made to Aggrieved Employees for their *pro rata* share of the PAGA Payment.

21. “LWDA” shall refer to the California Labor & Workforce Development Agency.

22. “LWDA Letter” shall refer to the letter that Class Counsel sent to the LWDA on April 15, 2021, asserting that Plaintiff planned to pursue a representative action against Defendant under PAGA on behalf of all hourly, non-exempt employees.

23. “LWDA Payment” shall refer to the portion of the PAGA Penalties payable to the LWDA.

24. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 59.b below.

25. “Notice Packet” means the Class Notice and PAGA Notice that will be sent to the Class Members and Aggrieved Employees.

26. “Notice Response Deadline” is 60 calendar days from the date the Notice Packet is mailed to the Settlement Class Members.

27. “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with respect to the Released Class Claims, pursuant to Paragraph 82.c below.

28. “PAGA” refers to the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

29. “PAGA Action” refers to the PAGA claims that will be brought in the Amended Complaint.

30. “PAGA Notice” means the Notice of Settlement of PAGA claims that will be sent to all Aggrieved Employees.

31. “PAGA Payment” shall refer to the \$12,500.00 in PAGA Penalties to be paid pursuant to this Settlement to Aggrieved Employees.

32. “PAGA Penalties” means the total of \$50,000.00, which shall be separated as \$37,500.00 that Defendant, through the Settlement Administrator, shall pay to the LWDA in connection with the claims that will be brought by Plaintiff under PAGA in the Amended Complaint, as well as \$12,500.00 as the PAGA Payment that will be allocated to each Aggrieved Employee, as more fully described in Paragraph 59.d below.

33. “PAGA Period” is the period from April 20, 2020, through the Preliminary Approval Date.

34. “Participating Class Member” means any and all Final Settlement Class members who are deemed to participate in the Settlement, who will receive an Individual Settlement Payment, and who do not opt-out by submitting a timely valid Request for Exclusion.

35. “Parties” or “Settling Parties” refers to Plaintiff, the Aggrieved Employees, the Settlement Class, the LWDA, and Defendant, collectively.

36. “Pay Periods Worked” or “Eligible Pay Periods” means all pay periods during the PAGA Period in which the Aggrieved Employee was employed by Defendant as a non-exempt employee in California and worked at least one shift during the pay period.

37. “Preliminary Approval Date” means the date the Court approves the Motion for Preliminary Approval of the Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims, and the exhibits thereto, and enters the Preliminary Approval Order.

38. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice Packet to the Settlement Class and Aggrieved Employees, an opportunity to opt out of the Final Settlement Class, an opportunity to submit timely objections to the Settlement, and setting a hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs.

39. “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Final Settlement Class and Aggrieved Employees, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

40. “Released Class Claims” or “Class Claims” means any and all claims, demands, rights, liabilities, grievances, and causes of action that were or could have been pled under local, state or federal law arising out of, related to, or based on any facts alleged in the Complaint or Amended Complaint against Defendant and the Released Parties arising during the Class Period, including but not limited to claims for (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; and (7) unfair business practices under the California Business and Professions Code. “Released Class Claims” or “Class Claims” also includes any claims that arise from, are related to, or are otherwise connected with the facts alleged in the Complaint or Amended Complaint.

41. “Released PAGA Claims” means any and all claims for civil penalties under PAGA arising from the pleaded claims in the Amended Complaint for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the Amended Complaint, that Plaintiff, on behalf of himself, the LWDA and the Aggrieved Employees, alleged or could allege against Defendant and the Released Parties. The Released PAGA Claims include, without limitation, all claims for civil penalties arising under California Labor Code Sections 210, 226.3, 558, 1197.1 and 2699, based on the facts set forth in Plaintiff’s April 15, 2021 LWDA Letter and that will be set forth in Plaintiff’s Amended Complaint (including any amendments thereto), and further includes all claims seeking civil penalties for (1) failure to pay for all hours worked, including minimum wages, straight time wages, and overtime wages, (2) failure to provide meal periods, (3) failure to authorize and permit rest periods, (4) failure to maintain accurate records of hours worked and meal periods, (5) failure to pay all wages at termination, (6) failure to

furnish accurate itemized wage statements, and (7) failure to pay all earned wages twice per month, and further including all claims for civil penalties pursuant to California Labor Code Sections 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198 and 2699.3, as well as any applicable IWC Orders, arising during the PAGA Period.

42. “Released Parties” means Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their directors, officers, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community.

43. “Release” shall mean the release and discharge of the Released Class Claims by Plaintiff and all of the Participating Class Members, and the release and discharge of the Released PAGA Claims by Plaintiff, the LWDA (to the greatest extent permissible by law), and all Aggrieved Employees.

44. “Request for Exclusion” means and refers to a valid and timely request for exclusion from the Settlement of the Released Class Claims, which may be submitted by any Settlement Class Member, other than Plaintiff, pursuant to Paragraph 82.a below.

45. “Service Payment” or “Service Award” means the amount approved by the Court to be paid to the Class Representative as a service/enhancement award in consideration for his provision of a general release and Section 1542 waiver to the Released Parties.

46. “Settlement Administrator” means and refers to the ILYM Group, Inc., the third-party class action settlement or claims administrator agreed to by the Parties, that will provide the Notice Packet to the Settlement Class Members and Aggrieved Employees, and distribute the settlement amounts as described in this Agreement, as well perform as any other related services requested and agreed to by the Parties as set forth herein.

47. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator, as approved by the Court, for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, and deposit of the employee and employer share of payroll taxes, unclaimed property due diligence, reporting and remittance obligations, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties.

48. “Settlement Class” consists of all current and former non-exempt, hourly-paid employees of Defendant who worked in California at any time during the Class Period.

49. “Settlement Class Member” or “Class Member(s)” refers to individual members of the Settlement Class.

50. “Work Weeks Worked” or “Eligible Work Weeks” means all work weeks during the Class Period in which the Settlement Class Member was employed by Defendant as a non-exempt employee in California and worked at least one shift during the work week.

B. Procedure

51. On or about April 20, 2021, Plaintiff filed a putative class-action complaint in the Court against Defendant, Case No. 21STCV14982, which included the following causes of action: (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; and (7) unfair business practices.

52. In conjunction with and conditioned upon the Court granting Preliminary Approval of this Settlement, Plaintiff will file an Amended Complaint in the Action that will include all claims for civil penalties under PAGA as set forth in the LWDA Letter. The Parties hereby agree that, for settlement purposes only, the statute of limitations of the PAGA Action claims shall be deemed to relate back to April 20, 2020. In addition, the Amended Complaint will include all other amendments necessary to give full effect to this settlement. Defendant stipulates to the filing of the Amended Complaint for settlement purposes only, and reserves its

rights and declares that it would and will oppose Plaintiff's filing of the Amended Complaint should the Court fail to issue Preliminary and/or Final Approval of the Settlement.

C. General Terms

53. Defendant denies Plaintiff's claims and allegations and contends that the Action is not suitable for class certification or manageable as a class or representative action.

54. The Class Representative believes he can proceed with his representative and class claims, that the Action is meritorious, and that class certification is appropriate.

55. The Parties have conducted a thorough investigation into the facts of the Action. This includes conducting an extensive exchange of informal discovery, including the production of payroll and timekeeping records for Settlement Class Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Settlement Class and the Aggrieved Employees. Class Counsel has diligently pursued an investigation of the Class Members' and Aggrieved Employee's claims against Defendant. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant 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 Settlement Class Members and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

56. On February 1, 2022, Plaintiff and Defendant participated in mediation before Steven Rottman, Esq., a highly experienced wage-and-hour class action mediator. The matter resolved at mediation pursuant to a mediator's proposal.

57. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on any of the claims or allegations in the Action.

58. Stipulation for Class Certification and Representative Treatment. For settlement purposes only, Defendant will stipulate that the Settlement Class Members described herein who do not submit a Request for Exclusion from the Settlement Class may be conditionally certified as a settlement class and that the Aggrieved Employees are appropriate for representative treatment. This stipulation to certification and representative treatment is in no way an admission that class-action certification and/or representative treatment is proper and shall not be admissible in this or in any other action, except for the sole purpose of enforcing this Agreement. Should, for whatever reason, the Court fail to issue Preliminary and/or Final Approval, the Parties' stipulation to class certification and representative treatment as part of the Settlement shall become null and void *ab initio*, shall have no bearing on, and shall not be admissible in connection with the issue of whether or not certification and/or representative treatment would be appropriate in a non-settlement context. Defendant expressly reserves its rights and declares that it would continue to oppose class certification, representative treatment, and the substantive merits of the case should the Court decline to issue Preliminary and/or Final Approval. Plaintiff expressly reserves his rights and declares that he would continue to pursue class certification, representative treatment, and a trial should the Court decline to issue Final Approval.

D. Terms of Settlement

59. The financial terms of the Settlement are as follows:

- a. Gross Settlement Amount: The Parties agree to settle this Action for Five Hundred Fifty Thousand Dollars and Zero Cents (\$500,000.00) ("the Gross Settlement Amount"), unless it shall be escalated pursuant to Paragraph 59.a.i below. The Gross Settlement Amount is the maximum amount that will be paid and includes Individual Settlement Payments (including all employee-side payroll taxes thereupon), Attorneys' Fees and Costs Award, the Service Payment to the Class Representative, all Settlement Administration Costs, and PAGA Penalties to the Aggrieved Employees and LWDA. No portion of the Gross Settlement Amount shall revert to Defendant. Defendant's share of any Employer Taxes to be paid in connection with the settlement (e.g. FICA, FUTA, payroll taxes, and/or

any similar tax or charge – collectively “Employer Taxes”) shall be paid in addition to the Gross Settlement Amount. The Settlement Administrator will then be responsible for making appropriate deductions, reporting obligations, and issuing the individual settlement awards.

- i. The Settlement is based on Defendant’s representation that there are approximately 33,146 Work Weeks Worked included in the Class Period through February 1, 2022. In the event that the actual number of workweeks worked by all Class Members during the foregoing period increases by 20% or more, then Defendant shall increase the Gross Settlement Fund on a proportional basis in excess of twenty percent (i.e., if there were a twenty-one percent (21%) increase in the number of workweeks, then Defendant will increase the Gross Settlement Fund by one percent (1%)).
- b. Net Settlement Amount: The “Net Settlement Amount” is defined as the Gross Settlement Amount less the Attorneys’ Fees and Costs Award, the Service Payment to the Class Representative, all Settlement Administration Costs, and PAGA Penalties paid to the LWDA and to all Aggrieved Employees. If the Court reduces the requested Attorneys’ Fees and Costs Award, Service Award, or Settlement Administration Costs, or either increases or decreases the amount allocated to the PAGA Penalties, the Net Settlement Amount shall be increased or decreased accordingly.
- c. Individual Settlement Payments for the Settlement Class: Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Eligible Work Weeks a Settlement Class Member worked during the Class Period. Specific Calculations of Individual Settlement Payments will be made as follows:
 - i. Defendant will calculate the total number of Work Weeks Worked by each Settlement Class Member during the Class Period and the aggregate total

number of Work Weeks Worked by all Settlement Class Members during the Class Period.

- ii. To determine each Settlement Class Member's estimated Individual Settlement Payment, the Settlement Administrator will use the following formula: The Net Settlement Amount will be divided by the aggregate total number of Work Weeks Worked by all Settlement Class Members during the Class Period, resulting in the "Class Work Week Value." Each Settlement Class Member's Individual Settlement Payment will be calculated by multiplying his or her total number of Work Weeks Worked during the Class Period by the Class Work Week Value. This amount is to be paid out to the Settlement Class Members by way of check.
 - iii. Notwithstanding the foregoing, Individual Settlement Payments will be reduced by any employee-side tax withholdings and deductions.
 - iv. The entire Net Settlement Amount will be disbursed to all Participating Class Members. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionally increase the Individual Settlement Payment for each Participating Class Member according to the number of Work Weeks Worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Amount.
- d. Individual PAGA Payments: Individual PAGA Payments will be calculated and apportioned from the PAGA Payment, which is not part of the Net Settlement Amount.
- i. The Settlement Administrator will determine the total number of Pay Periods in which each Aggrieved Employee worked during the PAGA Period ("Aggrieved Employee's Pay Periods Worked"), as well as the aggregate number of Pay Periods during the PAGA Period ("Total PAGA Pay Periods").

- ii. To determine each Aggrieved Employee's Individual PAGA Payment the Settlement Administrator will use the following formula: Aggrieved Employee's Individual PAGA Payment = (Aggrieved Employee's Pay Period Worked / Total PAGA Pay Periods) x \$12,500.00 (the PAGA Payment). This amount is to be paid out to Aggrieved Employees by way of check without withholding or deduction.
- iii. The Settlement payment for a Participating Class Member who is also an Aggrieved Employee will therefore include the Participating Class Member's Individual Settlement Payment and Individual PAGA Payment.
- iv. A Settlement Class Member who is also an Aggrieved Employee who submits a valid Request for Exclusion will nevertheless be bound by any release of the Released PAGA Claims and will still receive their Individual PAGA Payment.

e. Tax Allocation of Payments:

- i. Individual Settlement Payments: The Individual Settlement Payments will be allocated based on the allegations in the Action as follows: Twenty percent (20%) will be allocated as wages subject to withholding of all applicable local, state and federal taxes; and eighty percent (80%) will be allocated for interest and statutory penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226) from which no taxes will be withheld or other deductions made.
- ii. Individual PAGA Payments: The Individual PAGA Payments will be one hundred percent (100%) allocated to civil penalties from which no taxes will be withheld or other deductions made.
- iii. The Settlement Administrator will issue to each Participating Class Member an IRS Form W-2 and comparable state forms with respect to the wage allocation and an IRS Form 1099 to each Participating Class Member and/or Aggrieved Employee with respect to the penalties and

interest allocations.

- f. Service Payment to Class Representative: The Service Payment to the Class Representative is a service/enhancement award not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) approved by the Court in its discretion. This award is in exchange for the services Plaintiff performed on behalf of the Class (including taking steps to support the Settlement) and in consideration for entering into the general and expansive release and California Civil Code Section 1542 waiver discussed hereinafter. Defendant agrees not to oppose this request just as Plaintiff agrees to not request exclusion from the Settlement Class and to not take any action, directly or indirectly, to undercut or otherwise interfere with the success of this Settlement. The Service Payment to Plaintiff will be paid out of the Gross Settlement Amount. The Class Representative will be issued an IRS Form 1099 by the Settlement Administrator in connection with this payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this payment. The Parties agree that any amount awarded as the Service Payment to Plaintiff less than the requested amount shall not be a basis for Class Counsel or the Class Representative to void this Settlement Agreement nor to appeal this aspect of the Court's ruling. Should the Court approve a lesser amount for the Service Payment, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.
- g. Attorneys' Fees and Costs Award: Defendant agrees to not oppose a request by Class Counsel to the Court for an award of attorneys' fees of not more than thirty-three and a third percent (33.33%) of the Gross Settlement Amount, which here is One Hundred Thousand Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$166,666.66), plus reasonable litigation costs estimated not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00) ("Attorneys' Fees and Costs Award"). The Attorneys' Fee and Costs Award shall be paid from the Gross

Settlement Amount. Defendant shall have no further obligation to pay any attorneys' fees, costs or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. The Parties agree that any amount awarded as attorneys' fees and costs to Class Counsel less than the requested amount shall not be a basis for Class Counsel or the Class Representative to rescind or otherwise void this Settlement Agreement. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs awarded by the Court.

- h. Settlement Administration Costs: The fees and other charges of the Settlement Administrator will be paid from the Gross Settlement Amount, subject to Court approval and estimated not to exceed Nine Thousand Nine Hundred Ninety Dollars and Zero Cents (\$9,990.00). If the actual amount of the Settlement Administration Costs is less than \$9,990.00, then the difference between \$9,990.00 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$9,990.00, then such excess will be paid solely from the Gross Settlement Amount and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.
- i. PAGA Penalties: The Parties agree that Fifty Thousand Dollars and Zero Cents (\$50,000.00) is allocated to PAGA Penalties and is to be paid from the Gross Settlement Amount, subject to Court approval. Of this amount, the LWDA Payment of Thirty Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) (which amounts to seventy-five percent (75%) of the PAGA Penalties) shall be paid to the LWDA in satisfaction of civil penalties under PAGA, and the PAGA Payment of Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) (which amounts to twenty-five percent (25%) of the

PAGA Penalties) will be paid to the Aggrieved Employees based on a Work-Weeks Worked basis during the PAGA Period, which will be treated entirely as civil penalties and shall be reported as required on an IRS Form 1099. Defendant will calculate the total number of Pay Periods Worked by each Aggrieved Employee during the PAGA Period and the aggregate total number of Pay Periods during the PAGA Period. Class Counsel agrees to and shall give proper notice to the LWDA of the Settlement.

- j. Tax Liability: Class Counsel, Defendant, and Defendant's counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant's counsel in this regard. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. IRS Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiff, Participating Class Members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein and will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

k. 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 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER 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.

60. No Credit Toward Benefit Plans. The Individual Settlement Payments and Individual PAGA Payments made under this Agreement, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members or Aggrieved Employee may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, pension plans, retirement plans, stock purchase or other types of equity plans, vacation plans, sick leave plans, PTO plans, and any other benefit or incentive plan. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Settlement Class Members or Aggrieved Employees may be entitled under any benefit plans. The Parties agree that the amounts paid pursuant to this Settlement are not for days or hours worked, and are not included toward any regular rate of pay calculation, or any benefit vesting or accrual purpose.

61. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no circumstance will any portion of the Gross Settlement Amount revert to Defendant. Participating Class Members will not have to make a claim in order to receive an Individual Settlement Payment, and Aggrieved Employees will not have to make a claim in order to receive their Individual PAGA Payments. Distributions, in the form of Individual Settlement Payments and Individual PAGA Payments, will be made directly to each Participating Class Member and Aggrieved Employee. The Settlement Administrator shall be responsible for accurately and timely reporting and the remittance obligations with respect to unclaimed funds as a result of a Participating Class Member or Aggrieved Employee not cashing an Individual Settlement Payment or Individual PAGA Payment by the check cashing deadline, as set forth herein.

62. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable, and adequate, and will so represent same to the Court.

E. Release by Plaintiff, Aggrieved Employees and the Settlement Class

63. Upon entry of the Final Approval Order and Defendant's funding of the Gross Settlement Amount, along with any taxes necessary to be paid by Defendant to effectuate the Settlement, and except as to such rights or claims as may be created by this Settlement Agreement, the Participating Class Members, for themselves and for their respective spouses,

domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and discharge the Released Parties from the Released Class Claims that have or could have arisen or accrued during the Class Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Class Claims. The *res judicata* effect of the judgment will be the same as that of the Release of the Released Class Claims and Released PAGA Claims.

64. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

65. Upon entry of the Final Approval Order and Defendant's funding of the Settlement Amount, as well as any taxes that must be paid by Defendant to effectuate the Settlement, Plaintiff, standing in the shoes of the Labor Commissioner/LWDA to the extent permitted by law, and on behalf of the State of California and all Aggrieved Employees, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and discharge the Released Parties from the Released PAGA Claims that have or could have arisen or accrued during the PAGA Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and *res judicata* effect and be final and binding upon Plaintiff, the LWDA, and the Aggrieved Employees regarding the Released PAGA Claims.

66. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

67. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on or arising out of the Released Class Claims. The Class Members shall be so notified in the Notice. This Paragraph only applies to Participating Class Members and, thus, does not apply to any Class Member who timely and validly submits a Request for Exclusion.

68. Plaintiff and Defendant also intend that the Settlement described in this Agreement will release and preclude any further claim for civil penalties under the California Labor Code, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other PAGA action of any kind, by each and all of the Aggrieved Employees and by the LWDA to obtain a recovery based on or arising out of the Released PAGA Claims. The Aggrieved Employees shall be so notified in the PAGA Notice, and Class Counsel shall provide appropriate notice to the LWDA of this Agreement prior to the filing of the Motion for Preliminary Approval.

69. Class Representative, on behalf of himself and the Participating Class Members, acknowledges and agrees that the claims, including claims for unpaid wages and untimely payment of wages, are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to them. Class Representative, on behalf of himself and the Participating Class Members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows:

“An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

F. Release by Class Representative

70. As a material inducement to Defendant to enter into this Settlement Agreement and in exchange for the Service Payment, and in addition to the Class Representative’s release of the Released Class Claims and Released PAGA Claims, upon entry of the Final Approval Order and Defendant’s funding of the Gross Settlement Amount, along with any taxes necessary to be paid by Defendant to effectuate the Settlement, Class Representative for himself and for his respective spouses, domestic partners, marital community, children, estates, heirs, trusts, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assignees does forever and completely release and discharge and covenant not to sue the Released Parties with respect to any and all claims, demands, liens, agreements, contracts, grievances, covenants, actions, suits, causes of action,

wages, obligations, debts, liquidated damages, penalties, interest, costs, expenses, attorneys' fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, concealed or hidden, which Class Representative now owns or holds or has at any time heretofore owned or held as against said Released Parties, or any of them. Such released claims include specifically, but not exclusively and without limiting the generality of the foregoing, any and all claims, demands, agreements, grievances, obligations and causes of action, known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, relating to, or in any way connected with:

- a. Class Representative's employment with Defendant or any Related Party or the remuneration for or termination of such employment;
- b. any allegation in the Action;
- c. any transactions, occurrences, acts or omissions set forth, or facts alleged, in any and all charges, complaints, claims, grievances or pleadings filed by Class Representative against any Released Party prior to the date hereof with any city, county, state or federal agency, commission, office or tribunal whatsoever, including, but not limited to, the Department of Fair Employment and Housing, the Equal Employment Opportunity Commission, the Department of Labor, the LWDA, Occupational Safety and Health Administration, and National Labor Relations Board; and/or
- d. any transactions, occurrences, acts or omissions occurring prior to the date hereof, including specifically without limiting the generality of the foregoing any claim under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act (29 U.S.C. Section 621 *et seq.*), the Americans with Disabilities Act, the Employee Retirement Income Security Act, the National Labor Relations Act, the Fair Labor Standards Act, the Family and Medical Leave Act, the California Constitution, the California Labor Code, the California Civil Code, the California Government Code, the California Business & Professions Code, the

California Family Rights Act, the California Fair Employment and Housing Act, or any other federal, state, or local statute or regulation (collectively, the “Class Representative’s Claims”).

71. Class Representative agrees that there is a risk that any injury that he may have suffered by reason of the Released Parties’ relationship with him might not now be known, and there is a further risk that said injuries, whether known or unknown, suspected or unsuspected, concealed or hidden, at the date of this Settlement Agreement, might possibly become progressively worse, and that as a result thereof further damages may be sustained.

Nevertheless, Class Representative agrees to forever and fully release and discharge the Released Parties, and understands that by the execution of this Settlement Agreement no further claims for any such injuries that existed at the time of the execution of this Settlement Agreement may ever be asserted by Class Representative with respect to claims arising in the time period from the beginning of time to the execution of this Settlement Agreement.

72. Upon the release of the Class Representative’s Claims as set forth in Paragraph 70 above, Class Representative also expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California 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 HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Class Representative and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect,

without limitation, all claims that Class Representative knew of, as well as all claims that he does not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any and all of such Class Representative's claims. Notwithstanding the above, the general release by Class Representative shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law as part of this Agreement.

F. Interim Stay of Proceedings

73. Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the Settlement.

G. Notice Process

74. Appointment of Settlement Administrator. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice Packet, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims or opt-out requests, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Payments and the Individual PAGA Payments, drafting and mailing the settlement checks to Participating Class Members and Aggrieved Employees, issuing W-2 and 1099 Tax Forms, unclaimed funds due diligence, reporting and remittance obligations, and performing such other tasks as set forth herein or as the Parties mutually agree or that the Court orders. The Settlement Administrator also shall be responsible for issuing to Class Representative, Participating Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

75. Disputes Regarding Settlement Administration. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute with the aid of the Settlement Administrator and without the necessity of Court intervention.

76. Class Data. Within twenty-one (21) calendar days after entry of the Preliminary Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement Administrator will remain confidential, shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone (including Class Counsel), except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court. The Settlement Administrator will be required to sign and provide to Defendant any Certification Regarding Confidential Discovery Materials and to be bound by any Stipulated Protective Order as entered by the Court.

77. Notice Packet. The Notice Packet, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class Members and Aggrieved Employees, by first class mail within thirty (30) calendar days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Settlement Class Members and Aggrieved Employees if any envelopes are returned.

78. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice Packet is received by all Settlement Class Members and Aggrieved Employees, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notice Packets will

be re-mailed to any Settlement Class Member and/or Aggrieved Employee for whom an updated address is located within seven (7) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address. The Notice Packet shall be identical to the original Notice Packet, except that it shall notify the Settlement Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after the remailing of the Notice Packet.

79. Disputes Regarding Information on Notices. Class Members are deemed to participate in the Settlement, unless they opt-out. The Class Notice will inform Class Members of their estimated Individual Settlement Payment and the number of Work Weeks Worked during the Class Period. The PAGA Notice will inform the Aggrieved Employees of their estimated Pay Periods Worked during the PAGA Period and estimated Individual PAGA Payment. Class Members and Aggrieved Employees may dispute their Work Weeks Worked and/or Pay Periods Worked, respectively, in the Class Period and/or PAGA Period if they feel they should be credited with more Eligible Work Weeks or Eligible Pay Periods than Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut Defendant's records, but the Settlement Administrator will evaluate the evidence submitted by the Class Member and/or Aggrieved Employee and provide the evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's and/or Aggrieved Employee's actual number of Work Weeks Worked during the Class Period and/or Pay Periods Worked during PAGA Period and estimated Individual Settlement Payment and/or Individual PAGA Payment. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Settlement Administrator to render a final decision. Class Members will have until the Notice Response Deadline to dispute Work Weeks Worked, object or opt out of the Class Action Settlement, and seek to intervene in the Action, unless extended by the Court. The Aggrieved Employees will have until the Notice Response Deadline to dispute Pay Periods Worked. In the event that the Settlement Administrator revises the number of Work Weeks Worked for any Settlement Class Member or

Pay Periods Worked for any Aggrieved Employee, then the Settlement Administrator will recalculate the Participating Class Members' Individual Settlement Payments and/or the Aggrieved Employee's Individual PAGA Payments accordingly. In no event will Defendant be required to increase the Gross Settlement Amount on this or any other basis.

80. Declaration of Due Diligence. The Settlement Administrator shall provide to counsel for the Parties, at least seven (7) calendar days prior to the Final Approval Hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice Packet.

81. Aggrieved Employees' Rights. Each Aggrieved Employee will be fully advised of the Settlement in the PAGA Notice. Aggrieved Employees cannot opt out of receiving a PAGA Payment or object to the Settlement of the Released PAGA Claims.

82. Settlement Class Members' Rights. Each Settlement Class Member will be fully advised of the Settlement, the ability to object to the provisions in the Settlement related to the Released Class Claims, and the ability to opt out or request exclusion from the Settlement with respect to the Released Class Claims. The Notice will inform the Settlement Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Settlement with respect to the Released Class Claims in accordance with the following guidelines:

- a. Requests for Exclusion from Participating in the Settlement Class. Any Settlement Class Member, other than Plaintiff, may request to be excluded from the Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE JVS SOCIAL LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT," or a statement to that effect.

To be valid, any Request for Exclusion must include the full name, address, telephone number, last four digits of the social security number, date of birth, and signature of the Settlement Class Member requesting exclusion. The Request for Exclusion must be returned by mail or fax to the Settlement Administrator at the specified address. Any such Request must be made in accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice Response Deadline, unless the Parties otherwise agree in writing. Any Settlement Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement with respect to the Released Class Claims, including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Agreement for the Released Class Claims; and (iii) will not be bound by this Agreement, or the judgment, with respect to the Released Class Claims. Any Aggrieved Employee who requests timely exclusion from the Settlement Class will still be subject to the Released PAGA Claims to the fullest extent permitted by law and shall be sent his or her share of PAGA Penalties.

- b. Binding Effect on Participating Class Members. Except for those Settlement Class Members who exclude themselves in compliance with the procedures set forth above, all Settlement Class Members will: (i) be deemed to be Participating Class Members for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this Agreement, the judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.
- c. Objections to Settlement of the Released Class Claims. Any Settlement Class Member, other than Plaintiff, may object to the terms of this Agreement. To object, a Settlement Class Member should inform the Settlement Administrator, in writing, of his or her objection, which must be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall

include the objecting Settlement Class Member's full name, address, telephone number, and dates of employment with Defendant, the case name and number, the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof, and, if the Objecting Settlement Class Member is represented by counsel, the name and address of his or her counsel. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) calendar days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence and file with the Court prior to the Final Approval Hearing. Any Participating Class Member who files an objection remains eligible to receive monetary compensation from the Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class Member and/or his or her counsel related to any objections to the Settlement.

- d. Failure to Object. Any Settlement Class Member who desires to object to the Released Class Claims in the Settlement but fails to timely submit a written objection or in person objection at the Final Approval Hearing may still object and/or comment on the Settlement in person and/or through counsel at the Final Approval Hearing.
- e. Responses to Objections. Counsel for the Parties may file a response to any objections submitted by objecting Settlement Class Members at least five (5) court days before the date of the Final Approval Hearing.
- f. Timing of Requests. Settlement Class Members will have until the Notice Response Deadline to object or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or Requests for Exclusion were timely submitted on a weekly basis, and upon the request of Class Counsel or Defense Counsel.

- g. Defective Submissions. If a Settlement Class Member's Request for Exclusion or objection is defective as to the requirements listed herein, that Settlement Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Settlement Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Settlement Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion or objection valid. The Settlement Class Member will have the later of (i) the Notice Response Deadline or (ii) 15 calendar days from the date of the cure letter to postmark or fax a revised Request for Exclusion or objection. If the revised Request for Exclusion or objection is not postmarked or received by fax within that period, it will be deemed untimely.

83. QSF. The Settlement Administrator shall create a QSF for all money paid by Defendant and shall deposit all funds received from Defendant into such QSF.

84. Funding of the Settlement Amount. Defendant shall fund the Gross Settlement Amount in one installment within thirty (30) calendar days of the Effective Date. Defendant separately shall pay its share of employer payroll taxes as calculated and directed by the Settlement Administrator within thirty (30) calendar days of the Effective Date.

85. No Further Obligations. Once Defendant has complied with its obligations set forth in this Paragraph, Defendant shall be deemed to have satisfied all of the terms and conditions of this Agreement, shall be entitled to all the protections afforded it under the Agreement, and shall have no further obligations under the Agreement, regardless of what occurs with respect to the further administration of the Settlement. The Settlement Administrator (and not Defendant) shall issue the applicable IRS Forms W-2s and 1099 reflecting all payments to the Class Members, to Class Counsel, and to the Settlement Administrator.

86. Distribution of Funds. No later than thirty (30) calendar days after Defendant's funding of the Gross Settlement Amount and payment of employer taxes, the Settlement Administrator will mail the Individual Settlement Payments and Individual PAGA Payments to the Participating Class Members and Aggrieved Employees, the payment to Class Counsel for

the Attorneys' Fees and Costs Award, any Service Payment to the Class Representative, the LWDA Payment, and will pay itself the Settlement Administration Costs.

87. Deadline for Cashing Settlement Checks. Participating Class Members and Aggrieved Employees shall have 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. If any Participating Class Member's or Aggrieved Employee's check is not cashed within that period, the check will be void and a stop-payment will be issued, and the Settlement Administrator shall issue the unclaimed funds to Bet Tzedek as a *cy pres* recipient. The releases contained herein will be binding upon all Participating Class Members and Aggrieved Employees, even those who do not cash their checks within the 180-day period. In the event that any settlement check is returned to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the individual, and notify Defense Counsel and Class Counsel of the results. If a new address is located by these means, the Administrator will have ten (10) business days to re-issue the check. Neither Defendant, Released Parties, Defense Counsel, Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Participating Class Member or Aggrieved Employee notifies the Settlement Administrator that he or she believes that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Settlement Administrator will issue a replacement check.

88. No person shall have any claim against Defendant, Released Parties, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on mailings, distributions, payments or reports made in accordance with or pursuant to this Agreement.

89. Without prejudice to any other remedies, the Settlement Administrator shall agree to be responsible for any breach of its obligations (whether committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless

from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

H. Duties of the Parties Prior to the Court's Preliminary Approval

90. Promptly after execution of this Settlement Agreement, Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order accomplishing the following:

- a. Filing the Amended Complaint in Court as described in Paragraph 52 above and in the form and substance of the Amended Complaint attached hereto as Exhibit A;
- b. Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable and adequate as to the Class Members and Aggrieved Employees and a hearing on fees, costs and the Service Payment;
- c. Approving as to form and content the proposed Notice Packet;
- d. Directing the mailing of the Notice Packet by first class mail to the Settlement Class Members and Aggrieved Employees;
- e. Preliminarily approving this Settlement; and
- f. Preliminarily certifying the class for purposes of this Settlement.

91. Reallocation of Settlement Proceeds. In the event the Court fails, on its first hearing, to approve this Agreement because the amount of the PAGA Penalties is not adequate, then the Parties shall cooperate in good faith to reallocate the total settlement proceeds, within this Agreement, in order to try to achieve Final Approval of the Agreement upon any subsequent Court hearings.

92. Not later than seven (7) calendar days prior to the submission of their Motion for Preliminary Approval of this Settlement, Class Counsel will submit a final draft thereof (including all supporting papers and proposed order) to Defense Counsel for their review and comment. Defendant will not object to Plaintiff's motion for preliminary approval, provided the motion is consistent with the Agreement.

I. Duties of the Parties Regarding The Court's Final Approval

93. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit to the Court a Motion for Final Approval and a proposed Final Approval Order:

- a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of attorneys' fees and reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Settlement Administrator for costs of administering the settlement; and
- c. Entering judgment approving settlement.

94. Not later than seven (7) days prior to the submission of their Motion for Final Approval of this Settlement, Class Counsel will submit a final draft thereof (including all supporting papers and proposed order) to Defense Counsel for their review and comment

95. Final Judgment. The Settlement Administrator shall give the Participating Class Members and Aggrieved Employees notice of the entry of Final Judgment by posting the Final Judgment on its website for a period of three (3) years after entry of judgment.

J. Voiding the Agreement

96. Defendant will have, in its sole discretion, the right to void and withdraw from the Settlement without prejudice to its pre-settlement positions and defenses in the Action if ten percent (10%) or more of Class Members, by number or by value, opt out of the Settlement. To do so, Defendant shall give written notice to the Settlement Administrator and Class Counsel at least thirty (30) calendar days before the final approval hearing date.

97. All Parties, signatories and their counsel shall not encourage opt-outs or objections to this Agreement. The Parties specifically agree not to solicit opt-outs or objections, directly or indirectly, through any means.

98. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay

the Gross Settlement Amount or any amounts that otherwise would have been owed under this Settlement. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator to date shall be borne equally by Defendant and Plaintiffs, unless otherwise specified in this Agreement.

99. If the Settlement is voided by Defendant pursuant to Paragraph 96 above, any costs incurred to date by the Settlement Administrator shall be borne by Defendant.

K. Other Terms

100. Waiver. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

101. Full and Complete Defense. This Agreement may be pleaded by any Released Party as a full and complete defense to and may be used by any Released Party to pursue an injunction against any action, suit or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any Released Claim.

102. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

103. No Publicity. Communications regarding this Settlement prior to the Final Approval Date shall be limited to Court-Approved Notices in the Action. After the Final Approval Date, Class Counsel and Class Representative agree that they will not make any comment or publication of the Settlement or regarding Defendant or any Released Parties that in any way could reasonably identify Defendant or any Released Parties in terms of affirmative or responsive media statements/comments, press releases or conferences, website postings or content, social media postings or content, other Internet postings or content, subscribed email messages, newsletters, disseminated updates, mass mailings, or any other comment or publication to the press, media, or public at large. Nothing herein shall be construed to prevent Class Counsel from the public filing of motions or other case materials in the Action related to seeking and obtaining Court approval of this Settlement and the related awards of attorneys' fees and costs, or to communications with Settlement Class Members or their representatives about

this Settlement, including through the posting of Court-filed documents on Class Counsel's websites for password-protected access solely by the Settlement Class Members, or to prevent the Parties or their representatives from communicating with financial or legal advisors regarding the Settlement. In response to any media inquiry, Class Counsel may state only that the Action has been settled on terms mutually agreeable to the Parties.

104. No Defamatory Statements. Plaintiff will not make, or encourage anyone else to make, any defamatory or maliciously false statements or remarks about Defendant or any Released Parties, any of their employees, and/or any of their services or business; this restriction includes, but is not limited to, Plaintiff not making any such statements or remarks on Yelp, Glassdoor, LinkedIn, Facebook, other social media, and any other online forums.

105. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's Preliminary Approval Order and Final Approval.

106. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged by this Settlement Agreement.

107. No Admission. Defendant denies any and all liability to Plaintiff and/or any Settlement Class Member or Aggrieved Employee in this Action, as to any and all causes of action that were asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and compromise the matters at issue in the Action to avoid further

substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that it has asserted or could assert against Plaintiff, has determined that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

108. Inadmissibility of Agreement. Whether or not the Court issues the Preliminary and/or Final Approval Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification and PAGA representative status as part of this Settlement Agreement is for settlement purposes only, and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

109. Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class Members and Aggrieved Employees:

Kane Moon, Esq.
kane.moon@moonyanglaw.com
Lilit Ter-Astvatsatryan, Esq.
lilit@moonyanglaw.com
MOON & YANG, APC
1055 W. Seventh Street, Suite 1880
Los Angeles, CA 90017

Tel: (213) 232-3128

To Defendant:

David A. Wimmer, Esq.
dwimmer@swerdlowlaw.com
Allison R. Musante, Esq.
amusante@swerdlowlaw.com
SWERDLOW FLORENCE SANCHEZ SWERDLOW & WIMMER
9401 Wilshire Blvd., Suite 828
Beverly Hills, California 90212
Tel: (310) 288-3980

110. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

111. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

112. Modification. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

113. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the assistance of Steven Rottman, Esq. to

resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs, and split any fees of Mr. Rottman equally. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.

114. Court Retains Jurisdiction. The Parties agree that, upon the entry of judgment of dismissal pursuant to the terms of this Agreement, and, pursuant to California Code of Civil Procedure Section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents and obligations of this Agreement.

115. Enforceability. Pursuant to California Evidence Code Section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

116. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

117. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

118. Binding on Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

119. Signatures of All Class Members Unnecessary to Be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

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

121. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

Mar 24, 2022
Dated: March __, 2022

PLAINTIFF AND CLASS REPRESENTATIVE:

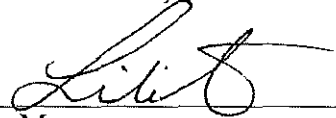

Aaron Baltayian (Mar 24, 2022 10:41:01)

Aaron Baltayian

Approved As To Form:

Dated: March 25, 2022

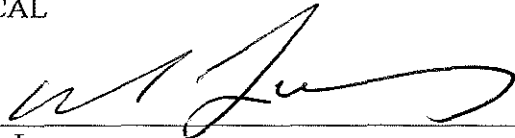
CLASS COUNSEL:
MOON & YANG, APC

 FOR

Kane Moon
Attorneys for Plaintiff

Dated: March 28, 2022

DEFENDANT:
JVS SOCAL



By: Alan Levey
Title: Chief Executive Officer

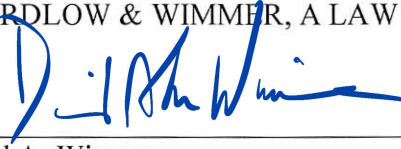
Dated: March 25, 2022

Approved on to form: 

DEFENDANT'S COUNSEL:

SWERDLOW FLORENCE SANCHEZ

SWERDLOW & WIMMER, A LAW CORPORATION



David A. Wimmer

Attorneys for Defendant

END OF DOCUMENT

EXHIBIT A

Kane Moon (SBN 249834)
kane.moon@moonyanglaw.com
Lilit Ter-Astvatsatryan (SBN 320389)
lilit@moonyanglaw.com
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

Attorneys for Plaintiff Aaron Baltayian

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

AARON BALTAYIAN, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

JVS SOCAL, a California corporation; and
DOES 1 through 10, inclusive,

Defendants

Case No.: 21STCV14982

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

1. Failure to Pay Minimum and Regular Rate Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197];
2. Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198];
3. Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512];
4. Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7];
5. Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203];
6. Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and
7. Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.].
8. Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.].

DEMAND FOR JURY TRIAL

TABLE OF CONTENTS

INTRODUCTION & PRELIMINARY STATEMENT	1
THE PARTIES	3
A. Plaintiff.....	3
B. Defendants.....	3
CLASS ACTION ALLEGATIONS	7
FIRST CAUSE OF ACTION	11
SECOND CAUSE OF ACTION.....	12
THIRD CAUSE OF ACTION	14
FOURTH CAUSE OF ACTION.....	14
FIFTH CAUSE OF ACTION.....	15
SIXTH CAUSE OF ACTION.....	16
SEVENTH CAUSE OF ACTION.....	18
EIGHTH CAUSE OF ACTION	21
PRAYER FOR RELIEF	23
DEMAND FOR JURY TRIAL	27

1 Plaintiff Aaron Baltayian (“Plaintiff”), based upon facts that either have evidentiary
2 support or are likely to have evidentiary support after a reasonable opportunity for further
3 investigation and discovery, alleges as follows:

4 **INTRODUCTION & PRELIMINARY STATEMENT**

5 1. Plaintiff brings this action against Defendants JVS SoCal, and Does 1 through 10
6 (collectively referred to as “Defendants”) for California Labor Code violations and unfair
7 business practices stemming from Defendants’ failure to pay minimum and regular rate wages,
8 failure to pay overtime wages, failure to provide meal periods, failure to authorize and permit
9 rest periods, failure to maintain accurate records of hours worked and meal periods, failure to
10 timely pay all wages to terminated employees, and failure to furnish accurate wage statements.

11 2. Plaintiff brings the First through Seventh Causes of Action individually and as a class
12 action on behalf of himself and certain current and former employees of Defendants (hereinafter
13 collectively referred to as the “Class” or “Class Members” and defined more fully below).The
14 Class consists of Plaintiff and all other persons who have been employed by any Defendant in
15 California and classified as a non-exempt employee during the statute of limitations period
16 applicable to the claims pleaded here.

17 3. Plaintiff brings the Eighth Cause of Action as a representative action under the
18 California Private Attorney General Act (“PAGA”) to recover civil penalties that are owed to
19 Plaintiff, the State of California, and past and present employees of Defendants (hereinafter
20 referred to as the “Aggrieved Employees”).

21 4. Defendants own/owned and operate/operated an industry, business, and establishment
22 within the State of California, including Los Angeles County. As such, and based upon all the
23 facts and circumstances incident to Defendants’ business in California, Defendants are subject to
24 the California Labor Code, Wage Orders issued by the Industrial Welfare Commission (“IWC”),
25 and the California Business & Professions Code.

26 5. Despite these requirements, throughout the statutory period Defendants maintained a
27 systematic, company-wide policy and practice of:
28

- 1 (a) Failing to pay employees for all hours worked, including all minimum
2 wages, overtime wages, in compliance with the California Labor Code and
3 IWC Wage Orders;
- 4 (b) Failing to maintain accurate records of the hours employees worked;
- 5 (c) Failing to provide employees with timely and duty-free meal periods in
6 compliance with the California Labor Code and IWC Wage Orders, failing
7 to maintain accurate records of all meal periods taken or missed, and
8 failing to pay an additional hour's pay for each workday a meal period
9 violation occurred;
- 10 (d) Failing to authorize and permit employees to take timely and duty-free rest
11 periods in compliance with the California Labor Code and IWC Wage
12 Orders, and failing to pay an additional hour's pay for each workday a rest
13 period violation occurred;
- 14 (e) Willfully failing to pay employees all minimum wages, overtime wages,
15 meal period premium wages, and rest period premium wages due within
16 the time period specified by California law when employment terminates;
17 and
- 18 (f) Failing to provide employees with accurate, itemized wage statements
19 containing all the information required by the California Labor Code and
20 IWC Wage Orders.

21 6. On information and belief, Defendants, and each of them were on actual and
22 constructive notice of the improprieties alleged herein and intentionally refused to rectify their
23 unlawful policies. Defendants' violations, as alleged above, during all relevant times herein were
24 willful and deliberate.

25 7. At all relevant times, Defendants were and are legally responsible for all of the
26 unlawful conduct, policies, practices, acts and omissions as described in each and all of the
27 foregoing paragraphs as the employer of Plaintiff and the Class. Further, Defendants are
28

1 responsible for each of the unlawful acts or omissions complained of herein under the doctrine of
2 “respondeat superior”.

3 **THE PARTIES**

4 **A. Plaintiff**

5 8. Plaintiff is a California resident who worked for Defendants in Los Angeles County,
6 California as a job developer from approximately April 2018 to July 2020.

7 9. Plaintiff reserves the right to seek leave to amend this complaint to add new plaintiffs,
8 if necessary, in order to establish suitable representative(s) pursuant to *La Sala v. American*
9 *Savings and Loan Association* (1971) 5 Cal.3d 864, 872, and other applicable law.

10 **B. Defendants**

11 10. Plaintiff is informed and believes, and based upon that information and belief
12 alleges, that Defendant JVS SoCal is:

13 (a) A California non-profit corporation with its principal place of business in
14 Los Angeles, California.

15 (b) A business entity conducting business in numerous counties throughout the
16 State of California, including in Los Angeles County; and

17 (c) The former employers of Plaintiff, and the current and/or former employer
18 of the putative Class. JVS SoCal suffered and permitted Plaintiff and the
19 Class to work, and/or controlled their wages, hours, or working conditions.

20 11. Plaintiff does not know the true names or capacities of the persons or entities sued
21 herein as Does 1-10, inclusive, and therefore sues said Defendants by such fictitious names.
22 Each of the Doe Defendants was in some manner legally responsible for the damages suffered by
23 Plaintiff and the Class as alleged herein. Plaintiff will amend this complaint to set forth the true
24 names and capacities of these Defendants when they have been ascertained, together with
25 appropriate charging allegations, as may be necessary.

26 12. At all times mentioned herein, the Defendants named as Does 1-10, inclusive, and
27 each of them, were residents of, doing business in, availed themselves of the jurisdiction of,
28 and/or injured a significant number of the Plaintiff and the Class in the State of California.

1 13. Plaintiff is informed and believes and thereon alleges that at all relevant times
2 each Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and
3 the other employees described in the class definitions below, and exercised control over their
4 wages, hours, and working conditions. Plaintiff is informed and believes and thereon alleges
5 that, at all relevant times, each Defendant was the principal, agent, partner, joint venturer, officer,
6 director, controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest
7 and/or predecessor in interest of some or all of the other Defendants, and was engaged with some
8 or all of the other Defendants in a joint enterprise for profit, and bore such other relationships to
9 some or all of the other Defendants so as to be liable for their conduct with respect to the matters
10 alleged below. Plaintiff is informed and believes and thereon alleges that each Defendant acted
11 pursuant to and within the scope of the relationships alleged above, that each Defendant knew or
12 should have known about, and authorized, ratified, adopted, approved, controlled, aided and
13 abetted the conduct of all other Defendants.

14 **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

15 14. Plaintiff Aaron Baltayan worked for Defendants in Los Angeles County,
16 California as a job developer from approximately April 2018 to July 2020. At all times
17 Defendants classified Plaintiff as non-exempt from California's overtime requirements. During
18 the statutory time period, Plaintiff was typically scheduled to work 5 days in a workweek, and
19 typically in excess of 8 hours in a single workday.

20 15. Throughout the statutory period, Defendants failed to pay Plaintiff for all hours
21 worked (including minimum wages and overtime compensation), failed to provide Plaintiff with
22 uninterrupted meal periods, failed to authorize and permit Plaintiff to take uninterrupted rest
23 periods, failed to maintain accurate records of the hours Plaintiff worked, failed to timely pay all
24 final wages to Plaintiff when Defendants terminated Plaintiff's employment, and failed to furnish
25 accurate wage statements to Plaintiff. As discussed below, Plaintiff's experience working for
26 Defendants was typical and illustrative.

27 16. Throughout the statutory period, Defendants maintained a policy and practice of
28 not paying Plaintiff, the Class, and the Aggrieved Employees for all hours worked, including all

1 overtime wages. Defendants regularly use a system of time rounding in a manner that resulted,
2 over a period of time, in failing to compensate Plaintiff, the Class, and the Aggrieved Employees
3 properly for all the time they have actually worked, even though the realities of Defendants'
4 operations are such that it is possible, practical, and feasible to count and pay for work time to
5 the minute. Also, throughout the statutory period, Plaintiff, the Class, and the Aggrieved
6 Employees earned non-discretionary bonuses, whereby all permanent employees received a flat-
7 rate bonus based on the number of years that the employee continued to work for Defendants.
8 Defendants, however, failed to include these non-discretionary bonuses earned by Plaintiff, the
9 Class, and the Aggrieved Employees for calculating the regular rate of pay for overtime
10 purposes. In maintaining a practice of not paying all wages owed, Defendants failed to maintain
11 accurate records of the hours Plaintiff, the Class, and the Aggrieved Employees worked.

12 17. Throughout the statutory period, Defendants have wrongfully failed to provide
13 Plaintiff, the Class, and the Aggrieved Employees with legally compliant meal periods.
14 Defendants regularly, but not always, required Plaintiff, the Class, and the Aggrieved Employees
15 to work in excess of five consecutive hours a day without providing a 30-minute, continuous and
16 uninterrupted, duty-free meal period for every five hours of work, or without compensating
17 Plaintiff, the Class, and the Aggrieved Employees for meal periods that were not provided by the
18 end of the fifth hour of work or tenth hour of work. Defendants did not adequately inform
19 Plaintiff, the Class, and the Aggrieved Employees of their right to take a meal period by the end
20 of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of
21 work. Defendants also did not have adequate policies or practices to document and verify
22 whether Plaintiff, the Class, and the Aggrieved Employees were taking their required meal
23 periods. Accordingly, Defendants' policy and practice was to not provide meal periods to
24 Plaintiff, the Class, and the Aggrieved Employees in compliance with California law.

25 18. Throughout the statutory period, Defendants have wrongfully failed to authorize
26 and permit Plaintiff, the Class, and the Aggrieved Employees to take timely and duty-free rest
27 periods. Defendants regularly, but not always, required Plaintiff, the Class, and the Aggrieved
28 Employees to work in excess of four consecutive hours a day without Defendants authorizing and

1 permitting them to take a 10-minute, continuous and uninterrupted, rest period for every four
2 hours of work (or major fraction of four hours), or without compensating Plaintiff, the Class, and
3 the Aggrieved Employees for rest periods that were not authorized or permitted. Further,
4 Plaintiff, the Class, and the Aggrieved Employees were not authorized to take a third rest period
5 in those instances where they worked in excess of 10 hours per workday. Accordingly,
6 Defendants' policy and practice was to not authorize and permit Plaintiff, the Class, and the
7 Aggrieved Employees to take rest periods in compliance with California law.

8 19. Throughout the statutory period, Defendants willfully failed and refused to timely
9 pay Plaintiff, the Class, and the Aggrieved Employees at the conclusion of their employment all
10 wages, including overtime wages, meal period premium wages, and rest period premium wages.

11 20. Throughout the statutory period, Defendants failed to furnish Plaintiff, the Class,
12 and the Aggrieved Employees with accurate, itemized wage statements showing all applicable
13 hourly rates, and all gross and net wages earned (including correct hours worked, correct wages
14 earned for hours worked, correct overtime hours worked, correct wages for meal periods that
15 were not provided in accordance with California law, and correct wages for rest periods that were
16 not authorized and permitted to take in accordance with California law). As a result of these
17 violations of California Labor Code § 226(a), Plaintiff, the Class, and the Aggrieved Employees
18 suffered injury because, among other things:

- 19 (a) the violations led them to believe that they were not entitled to be paid
20 minimum wages, overtime wages, meal period premium wages, and rest
21 period premium wages to which they were entitled, even though they were
22 entitled;
- 23 (b) the violations led them to believe that they had been paid the minimum,
24 overtime, meal period premium, and rest period premium wages to which
25 they were entitled, even though they had not been;
- 26 (c) the violations led them to believe they were not entitled to be paid
27 minimum, overtime, meal period premium, and rest period premium wages
28 at the correct California rate even though they were;

- 1 (d) the violations led them to believe they had been paid minimum, overtime,
2 meal period premium, and rest period premium wages at the correct
3 California rate even though they had not been;
- 4 (e) the violations hindered them from determining the amounts of minimum,
5 overtime, meal period premium, and rest period premium owed to them;
- 6 (f) in connection with their employment before and during this action, and in
7 connection with prosecuting this action, the violations caused them to have
8 to perform mathematical computations to determine the amounts of wages
9 owed to them, computations they would not have to make if the wage
10 statements contained the required accurate information;
- 11 (g) by understating the wages truly due them, the violations caused them to
12 lose entitlement and/or accrual of the full amount of Social Security,
13 disability, unemployment, and other governmental benefits;
- 14 (h) the wage statements inaccurately understated the wages, hours, and wage
15 rates to which Plaintiff, the Class, and the Aggrieved Employees were
16 entitled, and Plaintiff, the Class, and the Aggrieved Employees were paid
17 less than the wages and wage rates to which they were entitled.

18 Thus, Plaintiff, the Class, and the Aggrieved Employees are owed the amounts provided for in
19 California Labor Code § 226(e).

20 **CLASS ACTION ALLEGATIONS**

21 21. Plaintiff brings certain claims individually, as well as on behalf of each and all
22 other persons similarly situated, and thus, seeks class certification under California Code of Civil
23 Procedure § 382.

24 22. All claims alleged herein arise under California law for which Plaintiff seeks relief
25 authorized by California law.

26 23. The proposed Class consists of and is defined as:

27 All persons who worked for any Defendants in California as an hourly-paid,
28 non-exempt employee at any time during the period beginning four years before

1 the filing of the initial complaint in this action and ending when notice to the
2 Class is sent.

24. At all material times, Plaintiff was a member of the Class.

25. Plaintiff undertakes this concerted activity to improve the wages and working
3 conditions of all Class Members.

26. There is a well-defined community of interest in the litigation and the Class is
4 readily ascertainable:

7 (a) Numerosity: The members of the Class (and each subclass, if any) are so
8 numerous that joinder of all members would be unfeasible and impractical.
9 The membership of the entire Class is unknown to Plaintiff at this time,
10 however, the Class is estimated to be greater than 100 individuals and the
11 identity of such membership is readily ascertainable by inspection of
12 Defendants' records.

13 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect
14 the interests of each Class Member with whom there is a shared, well-
15 defined community of interest, and Plaintiff's claims (or defenses, if any)
16 are typical of all Class Members' claims as demonstrated herein.

17 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect
18 the interests of each Class Member with whom there is a shared, well-
19 defined community of interest and typicality of claims, as demonstrated
20 herein. Plaintiff has no conflicts with or interests antagonistic to any Class
21 Member. Plaintiff's attorneys, the proposed class counsel, are versed in
22 the rules governing class action discovery, certification, and settlement.
23 Plaintiff has incurred, and throughout the duration of this action, will
24 continue to incur costs and attorneys' fees that have been, are, and will be
25 necessarily expended for the prosecution of this action for the substantial
26 benefit of each class member.

27 (d) Superiority: A Class Action is superior to other available methods for the
28

1 fair and efficient adjudication of the controversy, including consideration
2 of:

- 3 1) The interests of the members of the Class in individually
4 controlling the prosecution or defense of separate actions;
- 5 2) The extent and nature of any litigation concerning the controversy
6 already commenced by or against members of the Class;
- 7 3) The desirability or undesirability of concentrating the litigation of
8 the claims in the particular forum; and
- 9 4) The difficulties likely to be encountered in the management of a
10 class action.

11 (e) Public Policy Considerations: The public policy of the State of California
12 is to resolve the California Labor Code claims of many employees through
13 a class action. Indeed, current employees are often afraid to assert their
14 rights out of fear of direct or indirect retaliation. Former employees are
15 also fearful of bringing actions because they believe their former
16 employers might damage their future endeavors through negative
17 references and/or other means. Class actions provide the class members
18 who are not named in the complaint with a type of anonymity that allows
19 for the vindication of their rights at the same time as their privacy is
20 protected.

21 27. There are common questions of law and fact as to the Class (and each subclass, if
22 any) that predominate over questions affecting only individual members, including without
23 limitation, whether, as alleged herein, Defendants have:

- 24 (a) Failed to pay Class Members for all hours worked, including minimum
25 wages, and overtime wages;
- 26 (b) Failed to provide meal periods and pay meal period premium wages to
27 Class Members;
- 28 (c) Failed to authorize and permit rest periods and pay rest period premium

wages to Class Members;

(d) Failed to promptly pay all wages due to Class Members upon their discharge or resignation;

(e) Failed to provide Class Members with accurate wages statements;

(f) Failed to maintain accurate records of all hours Class Members worked, and all meal periods Class Members took or missed; and

(g) Violated California Business & Professions Code §§ 17200 *et. seq.* as a result of their illegal conduct as described above.

28. This Court should permit this action to be maintained as a class action pursuant to California Code of Civil Procedure § 382 because:

(a) The questions of law and fact common to the Class predominate over any question affecting only individual members;

(b) A class action is superior to any other available method for the fair and efficient adjudication of the claims of the members of the Class;

(c) The members of the Class are so numerous that it is impractical to bring all members of the class before the Court;

(d) Plaintiff, and the other members of the Class, will not be able to obtain effective and economic legal redress unless the action is maintained as a class action;

(e) There is a community of interest in obtaining appropriate legal and equitable relief for the statutory violations, and in obtaining adequate compensation for the damages and injuries for which Defendants are responsible in an amount sufficient to adequately compensate the members of the Class for the injuries sustained;

(f) Without class certification, the prosecution of separate actions by individual members of the class would create a risk of:

1) Inconsistent or varying adjudications with respect to individual members of the Class which would establish incompatible standards

of conduct for Defendants; and/or

- 2) Adjudications with respect to the individual members which would, as a practical matter, be dispositive of the interests of other members not parties to the adjudications, or would substantially impair or impede their ability to protect their interests, including but not limited to the potential for exhausting the funds available from those parties who are, or may be, responsible Defendants; and,

- (g) Defendants have acted or refused to act on grounds generally applicable to the Class, thereby making final injunctive relief appropriate with respect to the class as a whole.

29. Plaintiff contemplates the eventual issuance of notice to the proposed members of the Class that would set forth the subject and nature of the instant action. The Defendants' own business records may be utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that any further notices may be required, Plaintiff would contemplate the use of additional techniques and forms commonly used in class actions, such as published notice, e-mail notice, website notice, first-class mail, or combinations thereof, or by other methods suitable to the Class and deemed necessary and/or appropriate by the Court.

FIRST CAUSE OF ACTION

(Against all Defendants for Failure to Pay Minimum Wages for All Hours Worked)

30. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 20 in this First Amended Complaint.

31. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

32. At all relevant times herein mentioned, Defendants knowingly failed to pay to Plaintiff and the Class compensation for all hours they worked. By their failure to pay compensation for each hour worked as alleged above, Defendants willfully violated the

provisions of Section 1194 of the California Labor Code, and any additional applicable Wage Orders, which require such compensation to non-exempt employees.

33. Accordingly, Plaintiff and the Class are entitled to recover minimum wages for all non-overtime hours worked for Defendants.

34. By and through the conduct described above, Plaintiff and the Class have been deprived of their rights to be paid wages earned by virtue of their employment with Defendants.

35. By virtue of the Defendants' unlawful failure to pay additional compensation to Plaintiff and the Class for their non-overtime hours worked without pay, Plaintiff and the Class suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional minimum of this Court, and which will be ascertained according to proof at trial.

36. By failing to keep adequate time records required by California Labor Code § 1174(d), Defendants have made it difficult to calculate the full extent of minimum wage compensation due Plaintiff and the Class.

37. Pursuant to California Labor Code section 1194.2, Plaintiff and the Class are entitled to recover liquidated damages (double damages) for Defendants' failure to pay minimum wages.

38. California Labor Code section 204 requires employers to provide employees with all wages due and payable twice a month. Throughout the statute of limitations period applicable to this cause of action, Plaintiff and the Class were entitled to be paid twice a month at rates required by law, including minimum wages. However, during all such times, Defendants systematically failed and refused to pay Plaintiff and the Class all such wages due, and failed to pay those wages twice a month.

39. Plaintiff and the Class are also entitled to seek recovery of all unpaid minimum wages, interest, and reasonable attorneys' fees and costs pursuant to California Labor Code §§ 218.5, 218.6, and 1194(a).

SECOND CAUSE OF ACTION

(Against all Defendants for Failure to Pay Overtime Wages)

1 40. Plaintiff incorporates by reference and re-alleges as if fully stated herein
2 paragraphs 1 through 20 in this First Amended Complaint.

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

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

11 43. At all times relevant hereto, Plaintiff and the Class have worked more than eight
12 hours in a workday, as employees of Defendants.

13 44. At all times relevant hereto, Defendants failed to pay Plaintiff and the Class
14 overtime compensation for the hours they have worked in excess of the maximum hours
15 permissible by law as required by California Labor Code § 510 and 1198. Plaintiff and the Class
16 are regularly required to work overtime hours.

17 45. By virtue of Defendants' unlawful failure to pay additional premium rate
18 compensation to the Plaintiff and the Class for their overtime hours worked, Plaintiff and the
19 Class have suffered, and will continue to suffer, damages in amounts which are presently
20 unknown to them but which exceed the jurisdictional minimum of this Court and which will be
21 ascertained according to proof at trial.

22 46. By failing to keep adequate time records required by Labor Code § 1174(d),
23 Defendants have made it difficult to calculate the full extent of overtime compensation due to
24 Plaintiff and the Class.

25 47. Plaintiff and the Class also request recovery of overtime compensation according
26 to proof, interest, attorneys' fees and costs pursuant to California Labor Code § 1194(a), as well
27 as the assessment of any statutory penalties against Defendants, in a sum as provided by the
28 California Labor Code and/or other statutes.

1 48. California Labor Code § 204 requires employers to provide employees with all
2 wages due and payable twice a month. The Wage Orders also provide that every employer shall
3 pay to each employee, on the established payday for the period involved, overtime wages for all
4 overtime hours worked in the payroll period. Defendants failed to provide Plaintiff and the Class
5 with all compensation due, in violation of California Labor Code § 204.

6 **THIRD CAUSE OF ACTION**

7 **(Against All Defendants for Failure to Provide Meal Periods)**

8 49. Plaintiff incorporates by reference and re-alleges as if fully stated herein
9 paragraphs 1 through 20 in this First Amended Complaint.

10 50. Under California law, Defendants have an affirmative obligation to relieve the
11 Plaintiff and the Class of all duty in order to take their first daily meal periods no later than the
12 start of Plaintiff and the Class' sixth hour of work in a workday, and to take their second meal
13 periods no later than the start of the eleventh hour of work in the workday. Section 512 of the
14 California Labor Code, and Section 11 of the applicable Wage Orders require that an employer
15 provide unpaid meal periods of at least 30 minutes for each five-hour period worked. It is a
16 violation of Section 226.7 of the California Labor Code for an employer to require any employee
17 to work during any meal period mandated under any Wage Order.

18 51. Despite these legal requirements, Defendants regularly failed to provide Plaintiff
19 and the Class with both meal periods as required by California law. By their failure to permit
20 and authorize Plaintiff and the Class to take all meal periods as alleged above (or due to the fact
21 that Defendants made it impossible or impracticable to take these uninterrupted meal periods),
22 Defendants willfully violated the provisions of Section 226.7 of the California Labor Code and
23 the applicable Wage Orders.

24 52. Under California law, Plaintiff and the Class are entitled to be paid one hour of
25 additional wages for each workday he or she was not provided with all required meal period(s),
26 plus interest thereon.

27 **FOURTH CAUSE OF ACTION**

28 **(Against All Defendants for Failure to Authorize and Permit Rest Periods)**

53. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 20 in this First Amended Complaint.

54. Defendants are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Section 512 of the California Labor Code, the applicable Wage Orders require that the employer permit and authorize all employees to take paid rest periods of 10 minutes each for each 4-hour period worked. Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws. It is a violation of Section 226.7 of the California Labor Code for an employer to require any employee to work during any rest period mandated under any Wage Order.

55. Despite these legal requirements, Defendants failed to authorize Plaintiff and the Class to take rest breaks, regardless of whether employees worked more than 4 hours in a workday. By their failure to permit and authorize Plaintiff and the Class to take rest periods as alleged above (or due to the fact that Defendants made it impossible or impracticable to take these uninterrupted rest periods), Defendants willfully violated the provisions of Section 226.7 of the California Labor Code and the applicable Wage Orders.

56. Under California law, Plaintiff and the Class are entitled to be paid one hour of premium wages rate for each workday he or she was not provided with all required rest break(s), plus interest thereon.

FIFTH CAUSE OF ACTION

(Against all Defendants for Failure to Pay Wages of Discharged Employees – Waiting Time Penalties)

57. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 20 in this First Amended Complaint.

58. At all times herein set forth, California Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment,

1 his or her wages shall become due and payable not later than seventy-two (72) hours thereafter,
2 unless the employee has given seventy-two (72) hours previous notice of his or her intention to
3 quit, in which case the employee is entitled to his or her wages at the time of quitting.

4 59. Within the applicable statute of limitations, the employment of Plaintiff and many
5 other members of the Class ended, i.e. was terminated by quitting or discharge, and the
6 employment of others will be. However, during the relevant time period, Defendants failed, and
7 continue to fail to pay terminated Class Members, without abatement, all wages required to be
8 paid by California Labor Code sections 201 and 202 either at the time of discharge, or within
9 seventy-two (72) hours of their leaving Defendants' employ.

10 60. Defendants' failure to pay Plaintiff and those Class members who are no longer
11 employed by Defendants their wages earned and unpaid at the time of discharge, or within
12 seventy-two (72) hours of their leaving Defendants' employ, is in violation of California Labor
13 Code §§ 201 and 202.

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

18 62. Plaintiff and the Class are entitled to recover from Defendants their additionally
19 accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days
20 maximum pursuant to California Labor Code § 203.

21 63. Pursuant to California Labor Code §§ 218.5, 218.6 and 1194, Plaintiff and the
22 Class are also entitled to an award of reasonable attorneys' fees, interest, expenses, and costs
23 incurred in this action.

24 **SIXTH CAUSE OF ACTION**

25 **(Against all Defendants for Failure to Provide and Maintain Accurate and** 26 **Compliant Wage Records)**

27 64. Plaintiff incorporates by reference and re-alleges as if fully stated herein
28 paragraphs 1 through 20 in this First Amended Complaint.

1 65. At all material times set forth herein, California Labor Code § 226(a) provides that
2 every employer shall furnish each of his or her employees an accurate itemized wage statement
3 in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours
4 worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate
5 if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made
6 on written orders of the employee may be aggregated and shown as one item, (5) net wages
7 earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the
8 employee and the last four digits of his or her social security number or an employee
9 identification number other than a social security number, (8) the name and address of the legal
10 entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and
11 the corresponding number of hours worked at each hourly rate by the employee.

12 66. Defendants have intentionally and willfully failed to provide employees with
13 complete and accurate wage statements. The deficiencies include, among other things, the
14 failure to correctly identify the gross wages earned by Plaintiff and the Class, the failure to list
15 the true “total hours worked by the employee,” and the failure to list the true net wages earned.

16 67. As a result of Defendants’ violation of California Labor Code § 226(a), Plaintiff
17 and the Class have suffered injury and damage to their statutorily-protected rights.

18 68. Specifically, Plaintiff and the members of the Class have been injured by
19 Defendants’ intentional violation of California Labor Code § 226(a) because they were denied
20 both their legal right to receive, and their protected interest in receiving, accurate, itemized wage
21 statements under California Labor Code § 226(a).

22 69. Calculation of the true wage entitlement for Plaintiff and the Class is difficult and
23 time consuming. As a result of this unlawful burden, Plaintiff and the Class were also injured as
24 a result of having to bring this action to attempt to obtain correct wage information following
25 Defendants’ refusal to comply with many of the mandates of California’s Labor Code and related
26 laws and regulations.

70. Plaintiff and the Class are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with California Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.

71. Plaintiff and the Class are also entitled to injunctive relief, as well as an award of attorney's fees and costs to ensure compliance with this section, pursuant to California Labor Code § 226(h).

SEVENTH CAUSE OF ACTION

**(Against all Defendants for Violation of California Business & Professions Code §§ 17200,
et seq.)**

72. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 20 in this First Amended Complaint.

73. Defendants, and each of them, are “persons” as defined under California Business & Professions Code § 17201.

74. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful, and harmful to Plaintiff, other Class members, and to the general public. Plaintiff seek to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

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

76. A violation of California Business & Professions Code §§ 17200, *et seq.* may be predicated on the violation of any state or federal law. All of the acts described herein as violations of, among other things, the California Labor Code, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, fraudulent and unscrupulous, and thereby constitute unfair, unlawful and/or fraudulent business practices in violation of California Business & Professions Code §§ 17200, *et seq.*

Failure to Pay Minimum Wages

77. Defendants' failure to pay minimum wages, and other benefits in violation of the

California Labor Code constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Pay Overtime Wages

78. Defendants' failure to pay overtime compensation and other benefits in violation of California Labor Code §§ 510, 1194, and 1198 constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Maintain Accurate Records of All Hours Worked

79. Defendants' failure to maintain accurate records of all hours worked in accordance with California Labor Code § 1174.5 and the IWC Wage Orders constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Provide Meal Periods

80. Defendants' failure to provide meal periods in accordance with California Labor Code §§ 226.7 and 512, and the IWC Wage Orders, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Maintain Accurate Records of Meal Periods

81. Defendants' failure to maintain accurate records of employee meal periods in accordance with California Labor Code § 226.7 and the IWC Wage Orders, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

Failure to Authorize and Permit Rest Periods

82. Defendants' failure to authorize and permit rest periods in accordance with California Labor Code § 226.7 and the IWC Wage Orders, as alleged above, constitutes unlawful and/or unfair activity prohibited by Business and Professions Code §§ 17200, *et seq.*

Failure to Provide Accurate Itemized Wage Statements

83. Defendants' failure to provide accurate itemized wage statements in accordance with California Labor Code § 226, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

1 84. By and through their unfair, unlawful and/or fraudulent business practices
2 described herein, the Defendants, have obtained valuable property, money and services from
3 Plaintiff, and all persons similarly situated, and have deprived Plaintiff, and all persons similarly
4 situated, of valuable rights and benefits guaranteed by law, all to their detriment.

5 85. Plaintiff and the Class Members suffered monetary injury as a direct result of
6 Defendants' wrongful conduct.

7 86. Plaintiff, individually, and on behalf of members of the putative Class, are entitled
8 to, and do, seek such relief as may be necessary to disgorge money and/or property which the
9 Defendants have wrongfully acquired, or of which Plaintiff and the Class have been deprived, by
10 means of the above-described unfair, unlawful and/or fraudulent business practices. Plaintiff and
11 the Class are not obligated to establish individual knowledge of the wrongful practices of
12 Defendants in order to recover restitution.

13 87. Plaintiff, individually, and on behalf of members of the putative class, are further
14 entitled to and do seek a declaration that the above described business practices are unfair,
15 unlawful and/or fraudulent, and injunctive relief restraining the Defendants, and each of them,
16 from engaging in any of the above-described unfair, unlawful and/or fraudulent business
17 practices in the future.

18 88. Plaintiff, individually, and on behalf of members of the putative class, have no
19 plain, speedy, and/or adequate remedy at law to redress the injuries which the Class Members
20 suffered as a consequence of the Defendants' unfair, unlawful and/or fraudulent business
21 practices. As a result of the unfair, unlawful and/or fraudulent business practices described
22 above, Plaintiff, individually, and on behalf of members of the putative Class, suffered and will
23 continue to suffer irreparable harm unless the Defendants, and each of them, are restrained from
24 continuing to engage in said unfair, unlawful and/or fraudulent business practices.

25 89. Plaintiff also alleges that if Defendants are not enjoined from the conduct set forth
26 herein above, they will continue to avoid paying the appropriate taxes, insurance and other
27 withholdings.
28

90. Pursuant to California Business & Professions Code §§ 17200, *et seq.*, Plaintiff and putative Class Members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of this complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and Class Members; an award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5 and other applicable laws; and an award of costs.

EIGHTH CAUSE OF ACTION

**(Against all Defendants for Civil Penalties Under the Private Attorneys General Act
of 2004, Cal. Lab. Code § 2698 et seq.)**

91. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 20 in this First Amended Complaint.

92. At all times herein mentioned, Defendants were subject to the Labor Code of the State of California and the applicable Industrial Welfare Commission Orders.

93. California Labor Code § 2699(a) specifically provides for a private right of action to recover penalties for violations of the Labor Code: “Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3.”

94. Plaintiff has exhausted his administrative remedies pursuant to California Labor Code § 2699.3. On April 15, 2021, Plaintiff gave written notice by online filing to the Labor and Workforce Development Agency and by certified mail to Defendants of the specific provisions of the Labor Code that Defendants have violated against Plaintiff and current and former Aggrieved Employees, including the facts and theories to support the violations. At the time of this filing, 65 days has elapsed since Plaintiff provided notice, but the Labor and Workforce Development Agency has not indicated that it intends to investigate Defendants' Labor Code

1 violations discussed in the notice. Accordingly, Plaintiff may commence a civil action to recover
2 penalties under Labor Code § 2699 pursuant to § 2699.3 for the violations of the Labor Code
3 described in this Complaint. These penalties include, but are not limited to, penalties under
4 California Labor Code §§ 210, 226.3, 558, 1197.1, and 2699(f)(2).

5 95. In addition, Plaintiff seeks penalties for Defendants' violation of California
6 Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any
7 entity, employing labor who willfully fails to maintain accurate and complete records required by
8 California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable
9 IWC Order § 7(A)(3), every employer shall keep time records showing when the employee
10 begins and ends each work period. Meal periods, and total hours worked daily shall also be
11 recorded. Additionally, pursuant to the applicable IWC Order § 7(A)(5), every employer shall
12 keep total hours worked in the payroll period and applicable rates of pay.

13 96. During the time period of employment for Plaintiff and the Aggrieved
14 Employees, Defendants failed to maintain records pursuant to the Labor Code and IWC Orders
15 by failing to maintain accurate records showing meal periods, and accurate records showing
16 when employees begin and end each work period. Defendants' failure to provide and maintain
17 records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved
18 Employees the ability to know, understand and question the accuracy and frequency of meal
19 periods, and the accuracy of their hours worked stated in Defendants' records. Therefore,
20 Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages,
21 all of which resulted in an unjustified economic enrichment to Defendants. As a direct result,
22 Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses
23 related to the use and enjoyment of such wages, lost interest on such wages and expenses and
24 attorney's fees in seeking to compel Defendants to fully perform its obligation under state law,
25 all to their respective damage in amounts according to proof at trial. Because of Defendants'
26 knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and
27 the Aggrieved Employees have also suffered an injury in that they were prevented from knowing,
28 understanding, and disputing the wage payments paid to them.

97. Based on the conduct described in this First Amended Complaint, Plaintiff is entitled to an award of civil penalties on behalf of himself, the State of California, and similarly Aggrieved Employees of Defendants. The exact amount of the applicable penalties, in all, is in an amount to be shown according to proof at trial. These penalties are in addition to all other remedies permitted by law.

98. In addition, Plaintiff seeks an award of reasonable attorney's fees and costs pursuant to California Labor Code § 2699(g)(1), which states, "Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs."

PRAYER FOR RELIEF

Plaintiff, individually, and on behalf of all others similarly situated only with respect to the class claims, pray for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action with respect to the First, Second, Third, Fourth, Fifth, Sixth and Seventh Causes of Action;

2. That Plaintiff be appointed as the representative of the Class; and

3. That counsel for Plaintiff be appointed as Class Counsel.

As to the First Cause of Action

4. That the Court declare, adjudge and decree that Defendants violated California Labor Code §§ 204 and 1194 and applicable IWC Wage Orders by willfully failing to pay all minimum wages due;

5. For general unpaid wages as may be appropriate;

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

7. For liquidated damages;

8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code § 1194(a); and,

9. For such other and further relief as the Court may deem equitable and appropriate.

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8

11. For general unpaid wages at overtime wage rates as may be appropriate;
12. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due;
13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code § 1194(a); and,
14. For such other and further relief as the Court may deem equitable and appropriate.

15. That the Court declare, adjudge and decree that Defendants violated California Labor Code §§ 226.7 and 512, and the IWC Wage Orders;
16. For unpaid meal period premium wages as may be appropriate;
17. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;
18. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, and for costs of suit incurred herein; and
19. For such other and further relief as the Court may deem equitable and appropriate.

20. That the Court declare, adjudge and decree that Defendants violated California Labor Code §§ 226.7 and 512, and the IWC Wage Orders;
21. For unpaid rest period premium wages as may be appropriate;
22. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;
23. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, and for costs of suit incurred herein; and
24. For such other and further relief as the Court may deem equitable and appropriate.

1 As to the Fifth Cause of Action

2 25. That the Court declare, adjudge and decree that Defendants violated California Labor
3 Code §§ 201, 202, and 203 by willfully failing to pay all compensation owed at the time of
4 termination of the employment;

5 26. For statutory wage penalties pursuant to California Labor Code § 203 for former
6 employees who have left Defendants' employ;

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

8 28. For reasonable attorneys' fees and for costs of suit incurred herein; and

9 29. For such other and further relief as the Court may deem equitable and appropriate.

10 As to the Sixth Cause of Action

11 30. That the Court declare, adjudge and decree that Defendants violated the record
12 keeping provisions of California Labor Code § 226(a) and applicable IWC Wage Orders, and
13 willfully failed to provide accurate itemized wage statements thereto;

14 31. For statutory penalties and actual damages pursuant to California Labor Code §
15 226(e);

16 32. For injunctive relief to ensure compliance with this section, pursuant to California
17 Labor Code § 226(h);

18 33. For reasonable attorneys' fees and for costs of suit incurred herein; and

19 34. For such other and further relief as the Court may deem equitable and appropriate.

20 As to the Seventh Cause of Action

21 35. That the Court declare, adjudge and decree that Defendants violated California
22 Business & Professions Code §§ 17200, *et seq.* by failing to pay wages for all hours worked
23 (including minimum and overtime wages), failing to provide meal periods, failing to maintain
24 accurate records of meal periods, failing to authorize and permit rest periods, failing to maintain
25 accurate records of all hours worked and meal periods, and failing to furnish accurate wage
26 statements;

27 36. For restitution of unpaid wages to Plaintiff and all Class Members and prejudgment
28 interest from the day such amounts were due and payable;

37. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code §§ 17200 *et seq.*;

38. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure § 1021.5;

39. For injunctive relief to ensure compliance with this section, pursuant to California Business & Professions Code §§ 17200, *et seq.*; and,

40. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

41. That the Court declare, adjudge and decree that Defendants violated the California Labor Code by failing to pay wages for all hours worked (including minimum, straight time, and overtime wages), failing to provide meal periods, failing to maintain accurate records of meal periods, failing to authorize and permit rest periods, failing to maintain accurate records of all hours worked and meal periods, , failing to pay final wages at termination, and failing to furnish accurate wage statements;

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

43. For all civil penalties pursuant to California Labor Code § 2699, et seq., and all other applicable Labor Code provisions;

44. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code § 2699;

45. For such other and further relief as the Court may deem equitable and appropriate

As to all Causes of Action

46. For any additional relief that the Court deems just and proper.

Respectfully submitted,

Dated: March 10, 2022

MOON & YANG, APC

By: _____

Kane Moon
Lilit Ter-Astvatsatryan

Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury as to all causes of action triable by jury.

Dated: March 10, 2022

MOON & YANG, APC

By: _____

Kane Moon
Lilit Ter-Astvatsatryan

Attorneys for Plaintiff

EXHIBIT B

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

**SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES
AARON BALTAYIAN V. JVS SOCAL, CASE NO. 21STCV14982**

A Court authorized this notice. This is not a solicitation from a lawyer.

ATTENTION: IF YOU HAVE WORKED AT JVS SOCAL AS A NON-EXEMPT EMPLOYEE DURING THE PERIOD APRIL 20, 2017, TO [THE DATE OF PRELIMINARY APPROVAL OF THE SETTLEMENT] YOU ARE ENTITLED TO A SHARE OF A PROPOSED CLASS ACTION SETTLEMENT AND YOU ARE CONSIDERED A “CLASS MEMBER” AND PART OF THE “CLASS ACTION SETTLEMENT.”

ATTENTION: IF YOU HAVE WORKED AT JVS SOCAL AS A NON-EXEMPT EMPLOYEE DURING THE PERIOD APRIL 20, 2020, TO [THE DATE OF PRELIMINARY APPROVAL OF THE SETTLEMENT] YOU ARE ENTITLED TO A SHARE OF A PROPOSED PAGA SETTLEMENT AND YOU ARE CONSIDERED AN “AGGRIEVED EMPLOYEE” AND PART OF THE “PAGA SETTLEMENT.”

TO UNDERSTAND YOUR RIGHTS, READ THIS NOTICE CAREFULLY.

- A proposed settlement (“the Settlement”) has been reached between Plaintiff Aaron Baltayian (“Plaintiff”) on behalf of himself and the below-defined Class Members and Aggrieved Employees and Defendant JVS SoCal (“Defendant”).
- The Settlement resolves a putative class and representative action alleging that Defendant: failed to pay minimum and regular rate wages; failed to pay overtime compensation; failed to provide proper meal periods; failed to authorize and permit rest breaks; failed to timely pay final wages at termination; failed to provide accurate itemized wage statements; engaged in unfair business practices; and violated the California Labor Code Private Attorneys General Act of 2004 (“PAGA”).
- Defendant has denied, and continues to deny, the factual allegations and legal claims asserted in this lawsuit and believes that Plaintiff’s claims have no merit. Defendant does not admit to liability on any of the factual allegations or claims asserted in this lawsuit, or that the lawsuit can or should proceed as a class or representative action.
- After extensive negotiations, the Parties have come to this proposed settlement based upon all known facts and circumstances, including the various risks and uncertainties related to continued litigation.
- The Class Action Settlement provides for settlement payments based on the number of work weeks you worked for Defendant as a non-exempt employee at any time from April 20, 2017, to [the date of preliminary approval of the settlement].
- The PAGA Settlement provides for settlement payments based on the number of pay periods you worked for Defendant as a non-exempt employee at any time from April 20, 2020, to [the date of preliminary approval of the settlement].
- Depending on when you worked for JVS SoCal, you may be a Class Member entitled to a settlement from the Class Action Settlement, an Aggrieved Employees entitled to a settlement from the PAGA settlement, or both a Class Member and an Aggrieved Employee.

Your estimated minimum settlement payment during the relevant period is printed on the enclosed sheet.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	Subject to the Court’s final approval of the Settlement, you will receive a settlement payment at the address where this Notice was mailed. In exchange, you will give up your claims in this lawsuit within the scope of the release set forth below.
EXCLUDE YOURSELF	If you are a Class Member and submit a Request for Exclusion, you will <u>not</u> receive a settlement payment for the Class Action Settlement, but you will keep your claims against Defendant regarding the class action claims. You are not permitted to object to the Settlement if you exclude yourself from the Settlement. Note you may only submit a Request for Exclusion if you are a Class Member. Aggrieved Employees are not entitled to exclude themselves from the PAGA settlement as a matter of law. If you submit a Request for Exclusion and are a Class Member and an Aggrieved Employee, you will not receive your Class Action settlement, <u>but you will receive your PAGA settlement.</u>
OBJECT	If you are a Class Member and wish to object to the Settlement of the Class Claims, you must submit a written Notice of Objection and supporting papers to the Settlement Administrator that is postmarked or faxed no later than [60 calendar days from date of mailing of this Notice] . <u>You may not object to the PAGA Settlement if you are an Aggrieved Employee.</u>

- These rights and options, and how to exercise them, are explained in more detail below in this Notice.
- The Court handling this case still must decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement.
- Additional information regarding the Settlement is available through the Settlement Administrator and Class Counsel, whose contact information is provided in this Notice.

BASIC INFORMATION

1. Why did I get this notice?

Defendant’s records show that you have worked for JVS SoCal as a non-exempt employee at some point from April 20, 2017 to **[the date of preliminary approval.]** This Notice explains the lawsuit (otherwise called the “Action” as defined below), the Class Action Settlement, the PAGA Settlement, and your legal rights.

2. What is the Action about?

The lawsuit is known as *Aaron Baltayian v. JVS SoCal*, and it is pending in the Superior Court of California for the County of Los Angeles, Case No.: 21STCV14982 (the “Action”). Aaron Baltayian brought the lawsuit and is called the “Plaintiff,” and the company he sued, JVS SoCal, is called the Defendant.

The Action involves claims under California’s wage and hour laws. Plaintiff worked for Defendant as a non-exempt, hourly-paid employee. He alleges that Defendant violated California law by failing to pay minimum and regular rate wages; failing to pay overtime compensation; failing to provide proper meal periods; failing to authorize and permit rest breaks; failing to timely pay final wages at termination; and failing to provide accurate itemized wage statements. Plaintiff further claims that Defendant engaged in unfair business practices and violated PAGA. As a result, Plaintiff alleges that he and the Class Members (defined in response to Question 4 below) are entitled to recover unpaid wages, interest, and statutory penalties, and that he and the Aggrieved Employees (defined in response to Question 5 below) are entitled to recover civil penalties.

Defendant denies all of Plaintiff's claims and denies that it violated the law in any way. The Court has not decided whether there is any merit to Plaintiffs' claims. However, both Plaintiff and Defendant believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the of the Settlement Class members.

3. Why is this lawsuit a class action?

In a class action, one or more people called the "Plaintiff" sue on behalf of other people who allegedly have similar claims. All of these people are part of a putative "class" or are putative "class members." If the Court certifies the putative class, the Court resolves the issues for all class members, except for those who exclude themselves from the class. On **[insert date]**, the Honorable Yvette Palazuelos issued an order conditionally certifying the Settlement Class for purposes of settlement only.

4. Who is in the Settlement Class?

"Settlement Class" means all current or former non-exempt, hourly-paid employees who have worked for Defendant in California at any time between April 20, 2017 to **[the date of preliminary approval.]**

5. Why is this lawsuit a representative action?

In a representative action, one or more people called the Plaintiff "represent" similarly situated coworkers who allegedly have similar claims of liability under PAGA. The Plaintiff and the employees he or she represents are called Aggrieved Employees, and the Plaintiff brings the lawsuit to recover civil penalties under PAGA on behalf of him or herself, as well as all of the Aggrieved Employees and State of California through the Labor and Workforce Development Agency (the "LWDA").

6. Who are the Aggrieved Employees?

The "Aggrieved Employees" means all current or former non-exempt, hourly-paid employees who have worked for Defendant in California at any time between April 20, 2020, to **[the date of preliminary approval.]**

7. Why is there a settlement?

After conducting substantial fact discovery, including but not limited to reviewing policies, payroll records, and time records, both parties agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any law was broken. Defendant denies all of the claims asserted in the Action, denies that it has violated any laws, and believes it has at all times paid its nonexempt employees correctly and fully complied with all applicable laws. Defendant also denies that the Court would approve this Action as a class action and representative action. Plaintiff and his lawyers think the Settlement is in the best interests of all Settlement Class Members and Aggrieved Employees.

THE SETTLEMENT BENEFITS—WHAT YOU GET

8. What does the Settlement provide?

Under the terms of the Settlement, Defendant agrees to pay a Gross Settlement Amount of \$500,000.00. Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees (not to exceed 33.33% of the Gross Settlement Amount), attorneys' actual costs (not to exceed \$15,000.00), a Service Payment to the Plaintiff as a service/enhancement award for his service to the Settlement Class Members and Aggrieved Employees (not to exceed \$7,500.00), the fees and expenses of the Settlement Administrator, ILYM Group, Inc. (estimated not to exceed \$9,990.00), and \$50,000.00 of the Gross Settlement Amount will be

allocated to civil penalties to resolve the PAGA claims in the Action. The resulting amount after all of these deductions is called the Net Settlement Amount. The Settlement Administrator will distribute the remaining Net Settlement Amount to Settlement Class Members who do not opt out/exclude themselves ("Participating Class Members") pursuant to the formula described below.

Individual Settlement Payments: The Net Settlement Amount will be distributed to Participating Class Members as follows:

Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of work weeks a Participating Class Member worked between April 20, 2017, to [the date of preliminary approval of the settlement]. Specifically, to determine each Settlement Class Member's estimated Individual Settlement Payment, the Net Settlement Amount will be divided by the aggregate total number of Work Weeks Worked by all Settlement Class Members during the Class Period, resulting in the "Class Work Week Value." Each Settlement Class Member's Individual Settlement Payment will be calculated by multiplying his or her total number of Work Weeks Worked during the Class Period by the Class Work Week Value. Defendant will calculate the total number of Work Weeks Worked by each Settlement Class Member and the aggregate total number of Work Weeks Worked by all Settlement Class Members during the period from April 20, 2017 to [the date of preliminary approval of the settlement].

The entire Net Settlement Amount will be disbursed to all Participating Class Members. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionally increase the Individual Settlement Payment for each Participating Class Member according to the number of Work Weeks Worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Amount.

The Individual Settlement Payments will be paid to the Settlement Class Members by way of check. Twenty percent (20%) of the Individual Settlement Payments paid to each Participating Class Member shall be reported on an IRS Form W-2 as alleged unpaid wages subject to all applicable tax withholdings. Eighty percent (80%) of the Individual Settlement Payments paid to each Participating Class Member shall be reported on an IRS Form 1099 as alleged non-wage penalties and interest not subject to payroll tax withholdings. Each Participating Class Member will be responsible for correctly characterizing the compensation for tax purposes and for payment of any taxes on any amount received. Defendant will be responsible for paying its share of employer-side payroll taxes.

Individual PAGA Payments. As described above, \$50,000.00 of the Gross Settlement Amount is allocated to civil penalties to resolve the PAGA claims in this Action (and it is not part of the Net Settlement Amount). Of that \$50,000.00, \$37,500.00 (75 percent) shall be paid to the LWDA per California law and as required by PAGA. The remaining 25 percent, which is \$12,500.00 (the "PAGA Payment"), will be paid to the Aggrieved Employees as individual PAGA Payments, which will be calculated and apportioned from the \$12,500.00 as follows:

The Settlement Administrator will determine the total number of Pay Periods in which each Aggrieved Employee worked during the PAGA Period ("Aggrieved Employee's Pay Periods Worked"), as well as the aggregate number of Pay Periods during the PAGA Period ("Total PAGA Pay Periods"). To determine each Aggrieved Employee's Individual PAGA Payment, the Settlement Administrator will use the following formula: $\text{Aggrieved Employee's Individual PAGA Payment} = (\text{Aggrieved Employee's Pay Period Worked} / \text{Total PAGA Pay Periods}) \times \$12,500.00$ (the PAGA Payment). This amount is to be paid out to Aggrieved Employees by way of check without withholding or deduction.

The settlement payment for a Participating Class Member who is also an Aggrieved Employee will therefore include the Individual Settlement Payment and Individual PAGA Payment. A Settlement Class Member who is also an Aggrieved Employee who submits a valid Request for Exclusion from the Settlement Class will nevertheless be bound by any release of the Released PAGA Claims and will still receive their Individual PAGA Payment.

9. What is my Settlement Payment?

Your estimated minimum settlement payment is [Estimated Payment]. We have calculated your number of

Work Weeks Worked as [redacted] and/or the number of Pay Periods Worked as [redacted] between April 20, 2017 to **[the date of preliminary approval of the settlement]**. To the extent you dispute the number of Work Weeks Worked or Pay Periods Worked, you must make your dispute (“Work Week Dispute” and/or “Pay Periods Dispute”) in writing and send it to the Settlement Administrator via fax or mail. Your Work Week Dispute and/or Pay Period Dispute must be postmarked or faxed no later than **[60 days from date of mailing]** (the “Response Deadline”) to:

[Settlement Administrator Address]

Your Dispute must be in writing and contain: (a) your full name, (b) signature, (c) address, (d) telephone number, (e) date of birth, (f) the last four digits of your Social Security number; and (g) any evidence supporting your contention. Defendant’s records will be presumed correct unless you prove otherwise by reliable evidence. If there is reliable evidence that the Work Weeks Worked or Pay Periods Worked need to be corrected and Plaintiff’s counsel and Defendant’s counsel cannot agree on the actual number, the Settlement Administrator will resolve and decide all Disputes, and the Settlement Administrator’s decisions will be final and non-appealable. The Settlement will become final on the Effective Date.

UNDER CALIFORNIA LAW, THERE IS NO STATUTORY RIGHT FOR ANY AGGRIEVED EMPLOYEE TO OBJECT TO, OPT OUT OF, OR OTHERWISE EXCLUDE HIMSELF OR HERSELF FROM THE SETTLEMENT OF THE PAGA CLAIMS. ACCORDINGLY, ANY TIMELY OBJECTION OR EXCLUSION FROM THE SETTLEMENT SUBMITTED BY YOU SHALL BE CONSTRUED AS RELATING ONLY TO THE PUTATIVE CLASS ACTION CLAIMS AND SHALL HAVE NO EFFECT WHATSOEVER ON THE SETTLEMENT OF THE PAGA CLAIMS.

Once the Settlement becomes final, Defendant will have 30 calendar days to deposit the settlement funds into a bank account. Within 30 calendar days after Defendant deposits the funds, the Individual Settlement Payments to Participating Class Members will be made and the Individual PAGA Payments to the Aggrieved Employees will be made, in addition to any Service Payment to the Class Representative, the LWDA Payment, any payment to Class Counsel for their awarded attorneys’ fees and expenses, and the Settlement Administrator will pay itself the Settlement Administration Costs.

10. What am I giving up in exchange for the settlement benefits?

In exchange for the settlement payment, each member of the Settlement Class who does not submit a valid Request for Exclusion (defined in response to Question 12 below), *i.e.*, Participating Class Members, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and discharge the Released Parties from the Released Class Claims that have or could have arisen or accrued during the Class Period. The “Released Parties” means Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their directors, officers, shareholders, partners, members, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community. “Released Class Claims” or “Class Claims” means any and all claims, demands, rights, liabilities, grievances, and causes of action that were or could have been pled under local, state or federal law arising out of, related to, or based on any facts alleged in the Complaint or Amended Complaint against Defendant and the Released Parties arising during the Class Period, including but not limited to claims for (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; and (7) unfair business practices under the California Business and Professions Code. “Released Class Claims” or “Class Claims” also includes any claims that arise from, are related to, or are otherwise connected with the facts alleged in the Complaint or Amended Complaint. Finally, the Class Period is the period from April 20, 2017, through **the Preliminary Approval Date**.

In exchange for the PAGA Payment, the Aggrieved Employees, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and

discharge the Released Parties (as defined above) from the Released PAGA Claims that have or could have arisen or accrued during the PAGA Period. “Released PAGA Claims” means any and all claims for civil penalties under PAGA arising from the pleaded claims in the Amended Complaint for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the Amended Complaint, that Plaintiff, on behalf of himself, the LWDA and the Aggrieved Employees, alleged or could allege against Defendant and the Released Parties. The Released PAGA Claims include, without limitation, all claims for civil penalties arising under California Labor Code Sections 210, 226.3, 558, 1197.1 and 2699, based on the facts set forth in Plaintiff’s April 15, 2021 LWDA Letter and that will be set forth in Plaintiff’s Amended Complaint (including any amendments thereto), and further includes all claims seeking civil penalties for (1) failure to pay for all hours worked, including minimum wages, straight time wages, and overtime wages, (2) failure to provide meal periods, (3) failure to authorize and permit rest periods, (4) failure to maintain accurate records of hours worked and meal periods, (5) failure to pay all wages at termination, (6) failure to furnish accurate itemized wage statements, and (7) failure to pay all earned wages twice per month, and further including all claims for civil penalties pursuant to California Labor Code Sections 200, 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198 and 2699.3, as well as any applicable IWC Orders, arising during the PAGA Period.

HOW TO GET A SETTLEMENT PAYMENT

11. How do I get a settlement payment?

Subject to the Court’s final approval of the terms of the Settlement, you will automatically be sent a settlement payment at the address where this Notice was mailed in exchange for which you will be deemed to have released the Released Parties for any of the Released Class Claims and Released PAGA Claims (as defined in Section 10 above).

12. When will I get my check?

Checks will be mailed to Participating Class Members and Aggrieved Employees eligible to receive benefits under the Settlement after the Court grants “final approval” of the Settlement. Please also be advised that you will only have 180 days from the date that the checks are issued to cash them. If you do not cash your check within 180 days of the date of its issuance, your Individual Settlement Payment and/or PAGA Payment shall be voided. The funds from all checks that are not cashed within 180 days will be transmitted to Bet Tzedek as a *cy pres* recipient. **Please note that in the event that you do not cash your Individual Settlement Payment or PAGA Payment check(s), you shall nevertheless remain bound by all of the terms of the Settlement.**

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I ask the Court to exclude me from the Settlement Class?

If you do not wish to participate in the Settlement as a Participating Class Member, you must send a written Request for Exclusion to the Settlement Administrator to “opt out” of the Settlement regarding Class Claims. Settlement Class Members may request to be excluded by submitting a “Request for Exclusion” to the Settlement Administrator, postmarked on or before the Notice Response Deadline, **which is 60 days from the date of mailing of this Notice.** The Request for Exclusion should state the following (or it must include a statement to that effect):

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE JVS SOCIAL LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT.”

To be valid, any Request for Exclusion must include your (a) full name, (b) address, (c) telephone number, (d) last four digits of your social security number, (e) date of birth, and (f) your signature. The Request for Exclusion must be returned by mail or fax to the Settlement Administrator at this address:

[Settlement Administrator Address]

The date of the fax or postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a “Participating Class Member” and will be bound by all terms of the Settlement if the Settlement is granted final approval by the Court.

14. If I exclude myself, can I get anything from the settlement?

Any Settlement Class Member who timely requests exclusion in compliance with the above requirements: (i) will not have the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Settlement regarding the Class Claims; and (iii) will not be bound by this Settlement, or the judgment, with respect to the Released Class Claims.

Any Aggrieved Employee who requests timely exclusion from the Settlement of the Class Claims will still be subject to the Released PAGA Claims and shall be sent his or her individual share of PAGA Penalties.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

Settlement Class Members may object to the terms of this Settlement by informing the Settlement Administrator, in writing, of his or her objection, which must be postmarked by the Notice Response Deadline (60 days from date of the mailing of this Notice) at the address set forth in this Notice below. Your objection must include your (a) full name, (b) address, (c) telephone number, (d) dates of employment with Defendant, (e) the case name and number (f) the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof, and (g) if you are represented by counsel, the name and address of your counsel. Any objections received by the Settlement Administrator will be provided to Class Counsel and Defendant’s Counsel within three (3) days of receipt. Any Participating Class Member who files an objection remains eligible to receive monetary compensation from the Settlement for the Class Claims to which they are objecting.

Objections should be sent to:

[Settlement Administrator Address]

Any Settlement Class Member who desires to object to the Settlement of the Class Claims but fails to timely submit a written objection or in person objection at the Final Approval Hearing may still object and/or comment on the Settlement in person and/or through counsel at the Final Approval Hearing.

16. What’s the difference between objecting and asking to be excluded?

Objecting is simply telling the Court you do not like something about the Settlement of the Class Claims. Excluding yourself is telling the Court that you do not want to be a Participating Class Member. By submitting an objection to the Class Claims you are not excluding yourself from the Settlement; you will remain eligible to receive monetary compensation from the Settlement and be bound by the Settlement if the Court grants final approval. Please note that you cannot both object to the Settlement of the Class Claims and exclude yourself from the Settlement of the Class Claims. You can only choose one of those options, or you can choose to do nothing if you have no objections and just want to get a payment.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will automatically receive a payment from this Settlement as described above and you will be bound by the release of claims, subject to the Court’s final approval of the terms of the Settlement.

THE COURT’S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. If you have not asked to exclude yourself from the Settlement, you may attend and you may ask to speak, but there is no obligation to attend or speak.

18. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval/Settlement Fairness Hearing on **[insert time/date]** in Department 9 at the Superior Court of California for the County of Los Angeles **[insert address]**. The hearing may be moved to a different date and/or time without additional notice. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering a Judgment will be posted on a website created by the Settlement Administrator for this case for a period of three (3) years after entry of judgment. That website is: <<**website**>>.

19. Do I have to come to the hearing?

No. Class Counsel and Defendant's counsel will answer any questions the judge may have. You are, however, welcome to come at your own expense. If you send an objection to the Settlement Administrator, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay (at your own expense) your own lawyer to attend, but it is not required.

If you want to appear at the Final Approval Hearing in person, please note that face coverings/masks and social distancing may be mandatory to enter California County courthouses depending on COVID-19 rules at the time of the hearing. The most up-to-date information regarding Los Angeles Superior Court's COVID-19 safety measures can be found online at: <https://www.lacourt.org/>.

20. May I speak at the hearing?

If a Participating Class Member wishes to appear at the Final Approval Hearing and orally present his or her objection to the Court, the Court will determine whether and for how long any Participating Class Member may be received or considered by the Court at the Final Approval Hearing, regardless of whether a written notice of objection is filed or delivered to the Parties.

GETTING MORE INFORMATION

21. How do I get more information?

This Notice is only a summary of the Action and the Settlement. Class Members and Aggrieved Employees should contact Class Counsel and/or the Settlement Administrator at the below-listed contact information with any concerns or questions regarding the Settlement. You may also refer to the pleadings, the STIPULATION OF SETTLEMENT OF CLASS ACTION AND PAGA CLAIMS AND RELEASE OF CLAIMS attached to the Declaration of Kane Moon in Support of Plaintiff's Motion for Preliminary Approval, and other papers filed in the Action, which may be inspected at any time during regular business hours at the Office of the Clerk for the Superior Court of California for the County of Los Angeles, **[insert address]**.

In the event of a conflict between the terms of this notice and the Settlement, the terms of the Settlement will govern.

All inquiries by Class Members regarding this Notice and/or the Settlement should be directed to the Settlement Administrator or Class Counsel at the addresses set forth below.

Class Counsel

KANE MOON, ESQ.

kane.moon@moonyanglaw.com

LILIT TER-ASTVATSATRYAN, ESQ.

lilit@moonyanglaw.com

MOON & YANG, APC

1055 W. Seventh Street, Suite 1880

Los Angeles, CA 90017

Telephone: (213) 232-3128

Facsimile: (213) 232-3125

Settlement Administrator

ILYM Group, Inc.

**ADD ADDRESS AND CONTACT
INFORMATION**

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE OR DEFENSE
COUNSEL WITH ANY QUESTIONS.**