

KINGSLEY & KINGSLEY, APC
ERIC B. KINGSLEY, Esq. (SBN 185123)
eric@kingsleykingsley.com
KELSEY M. SZAMET, Esq. (SBN 260264)
kelsey@kingsleykingsley.com
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Tel: (818) 990-8300, Fax (818) 990-2903

Attorneys for Plaintiff and the proposed class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

HECTOR SANCHEZ, an individual, on behalf
of himself and others similarly situated,

PLAINTIFF,

v.

J.R. PIERCE PLUMBING CO., INC. OF
SACRAMENTO; and DOES 1 thru 50,
inclusive,

DEFENDANTS.

CASE NO. 34-2021-00300960

[Case Assigned for All Purposes to Hon. Judge
Jill H. Talley in Dept. 27]

**DECLARATION OF KELSEY M.
SZAMET IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

*[Filed concurrently with Motion for
Preliminary Approval of Settlement and
[Proposed] Order Thereon]*

Date: October 13, 2023

Time: 9:00 a.m.

Dept.: 27

Reservation Number: A-300960-001

Complaint Filed: May 17, 2021

FAC Filed: July 22, 2021

SAC Filed: Jun 8, 2023

Trial Date: None Set

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I, Kelsey M. Szamet state and declare as follows:

1. I am an attorney admitted before all courts of the State of California and a partner in the law firm of Kingsley & Kingsley, APC, counsel of record for Plaintiff in this action. I am completely familiar with the present litigation, including the pleadings, discovery, and filings submitted in this matter. I make this Declaration from my own personal knowledge, and, if called upon, I could and would competently testify to the following.

2. I graduated cum laude from the University of California, San Diego in 2004 with a degree in Human Development. I graduated from the University of California, Los Angeles School of Law in 2008. I am admitted to practice before the following Courts: United States Supreme Court; United States District Court, Northern, Eastern, Southern and Central of California; all California State Courts.

3. I make this Declaration in support of Plaintiff's Motion for Preliminary Approval of the Class Action Settlement in the above-captioned case.

RELEVANT PROCEDURAL HISTORY

4. Plaintiff contends that he, and other Class Members, were not paid at the proper rate of compensation, provided legally compliant meal periods or meal period premium payments, reimbursed for business-related expenses, provided accurate itemized wage statements, and paid all wages owed upon separation from Defendant's employ.

5. Plaintiff filed his class action complaint in the Superior Court for the County of Sacramento on May 17, 2021, entitled *HECTOR SANCHEZ v. J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO*, Case No. 34-2021-00300960.

6. Also on May 17, 2021, pursuant to Labor Code § 2699.3(a)(1), Plaintiff gave written notice to Defendant and the Labor and Workforce Development Agency (“LWDA”) regarding his intent to seek civil penalties under PAGA for violation of Labor Code §§ 201-203, 226(a), 510, 512, 1194, 1194.2, 1199, and 2802.

7. The 65-day waiting period to commence a civil action as though the LWDA has chosen not to investigate lapsed on July 22, 2021, allowing Plaintiff to commence a representative

1 action.

2 8. On July 22, 2021, Plaintiff a First Amended Class and Representative Action
3 Complaint, adding an additional cause of action for penalties pursuant to PAGA. (Hereafter,
4 “FAC”.) The FAC alleges causes of action for: (1) Failure to Pay Wages and/or Overtime Under
5 Labor Code §§ 510, 1194, 1194.2, and 1199; (2) Failure to Reimburse Business Expenses under
6 Labor Code § 2802; (3) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor
7 Code § 226(a); (4) Waiting Time Penalties Pursuant to Labor Code § 203; (5) Violation of Business
8 & Professions Code § 17200; and (6) Penalties Pursuant to Labor Code § 2699, *et seq*

9 **THE DISCOVERY PROCESS AND MEDIATION**

10 9. After the matter was at issue and engaging in early meet and confer efforts, the
11 Parties agreed to attend early mediation.

12 10. To properly assess and evaluate the claims at issue in this Action, Defendant
13 informally produced relevant information including a sample of time and pay data and other
14 pertinent information. Plaintiff’s Counsel worked with an expert to thoroughly review and analyze
15 the payroll records provided by Defendant.

16 11. The Parties attended mediation with Judge Howard Broadman (Ret.) on April 12,
17 2023.

18 12. With the expert assistance of the mediator, the Parties were able to come to an
19 agreement that day to resolve the Lawsuit.

20 13. Thereafter, the Parties negotiated the terms of the Settlement Agreement through
21 arms-length negotiations.

22 14. As part of the Settlement reached, Plaintiff agreed to amend the complaint to add
23 class allegations for violations of Labor Code §§ 226.7 and 512 for failure to provide meal periods
24 on behalf of a proposed settlement class during the relevant class period.

25 15. As such, Plaintiff filed a Second Amended Class and Representative Action
26 Complaint (“SAC”), defining a proposed class as: All non-exempt employees who are employed
27 or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State
28 of California from May 17, 2017 to June 18, 2023 (Hereafter the “Action” or “Lawsuit”).

1 16. Plaintiff now presents the Settlement Agreement to the Court for review and
2 requests that the Court grant preliminary approval.

3 17. Defendant denies any liability or wrongdoing of any kind associated with the claims
4 alleged in the Action, disputes the damages and penalties claimed by Plaintiff, and further contends
5 that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or
6 representative action treatment. Defendant contends, among other things, that, at all times, it has
7 complied with the California Labor Code, and the Industrial Wage Commission Orders.

8 18. Based on their own independent investigation and evaluation, Class Counsel is of
9 the opinion that the Agreement with Defendant is fair, reasonable and adequate, and in the best
10 interest of the settlement classes in light of all known facts and circumstances, including the risk
11 of significant delay, defenses asserted by Defendant, uncertainties regarding a class and
12 representative action trial on the merits, and numerous potential appellate issues. Although
13 Defendant denies any liability, Defendant is agreeing to this Agreement solely to avoid the cost of
14 litigation. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle,
15 compromise and discharge all disputes and claims arising from or relating to the Action on the
16 terms set forth here.

17 **CERTIFICATION FOR SETTLEMENT PURPOSES**

18 19. Here, Plaintiff maintains that the proposed Class is ascertainable for several
19 reasons: First, Defendant has agreed in the Settlement Agreement to provide a class list to the
20 Administrator containing the Class Member's name, last-known mailing address, Social Security
21 number, and number of Class Period Workweeks and PAGA Pay Periods for all putative class
22 members after issuance of the preliminary approval order.

23 20. Second, Class Members consist of Defendant's employees and Defendant is
24 required to keep records of its non-exempt employees' names, home addresses, and social security
25 numbers.

26 21. Third and finally, Defendant produced a sample of Plaintiff's time and pay data and
27 other pertinent information for Class Members containing class member contact information,
28 which confirms that all Class Member may be readily identified based on Defendant's records.

22. Here, the proposed settlement Class contains, based upon information and belief, approximately 2,115 non-exempt employees in the State of California.

23. Therefore, Plaintiff is confident he will be able to establish that the proposed settlement Class is ascertainable and sufficiently numerous.

24. Here, Plaintiff argues that there are questions of law and fact common to the proposed settlement Class that predominate over any questions affecting only individual Class Members.

25. These common questions include:

- 1) Whether Defendant failed to pay all wages and/or overtime compensation;
- 2) Whether Defendant failed to reimburse business-related expenses;
- 3) Whether Defendant failed to provide accurate itemized wage statements;
- 4) Whether Defendant failed to pay compensation due and owing upon termination of employment;
- 5) Whether Defendant engaged in unfair competition; and,
- 6) Whether Defendant violated § 2699, et seq. of the Labor Code by engaging in the acts previously alleged.
- 7) Whether Defendant failed to provide legally compliant meal periods or meal period premiums.

26. Plaintiff contends that Defendant maintained a company handbook containing uniform meal and rest break policies for all hourly employees.

27. Plaintiff's challenge to Defendant's uniform policies and practices involves common factual and legal issues that are amenable to class treatment.

28. Plaintiff maintains that the proposed Class Members suffered the same injuries, in the same manner in that Class Members were not: (1) paid all wages/overtime; (2) provided legally compliant meal periods or premiums in lieu thereof (3) reimbursed for business-related expenses; (4) provided accurate itemized wage statements; and (5) paid all wages owed upon termination/resignation.

29. Plaintiff alleges that Class Members worked in the same capacity for the same

1 employer and were subject to the same employment policies and practices, the questions of fact
2 and claims regarding the status of these employees are the same for each member of the settlement
3 Class.

4 30. Accordingly, for purposes of settlement, the evidence reviewed by Class Counsel
5 demonstrates that common wage policies applied to the proposed Class Members and certification
6 for settlement purposes is appropriate.

7 31. Plaintiff worked as a “non-exempt employee” for Defendant as a plumber, earning
8 \$22 per hour.

9 32. Plaintiff alleges that he: (1) worked without being paid all wages and/or overtime;
10 (2) worked without being provided legally compliant meal periods or receiving meal period
11 premium payments; (3) worked without being reimbursed for costs associated with incurred
12 mileage from driving personal vehicle; (4) worked without being provided accurate itemized wage
13 statements; and (5) worked without being paid all wages due upon separation. He also alleges that
14 he experienced derivative claims for unfair business competition..

15 33. Plaintiff contends that his claims are typical of those of the settlement Class.

16 34. Plaintiff believes that he is capable of fairly representing and adequately protecting
17 the interests of the proposed Class Members.

18 35. The members of the proposed settlement Class all worked for Defendant during the
19 relevant time period and incurred the same type of alleged damages with regard to Defendant’s
20 alleged violations of the law.

21 36. Moreover, Plaintiff has agreed to serve as Class Representative and has retained
22 qualified Counsel who is experienced in prosecuting wage and hour class actions.

23 37. This demonstrates he commitment to bringing about the best possible results for
24 the benefit of the proposed settlement Class.

25 38. Plaintiff has provided his Counsel with all necessary and pertinent information.

26 39. He has been a very active participant in the litigation including having contact with
27 Class Members as necessary and working closely with Class Counsel to develop the theories of
28 liability.

1 40. Plaintiff has provided his Counsel with all necessary and pertinent information.

2 41. He also made himself available to attend the full-day mediation in this matter and
3 was informed of and involved in all of the Settlement negotiations.

4 42. In this regard, the superiority of class treatment is evident here because individual
5 pursuit of class members' claims may not be economically viable.

6 43. The only alternative to certification would be to force over 2,115 employees to join
7 this action, file individual, uniform actions, or abandon their legal rights altogether.

8 44. Plaintiff maintains that this economic reality would result in a windfall for
9 Defendant if this case were not certified.

10 **THE PROPOSED SETTLEMENT**

11 45. The Settlement Class is defined as: "all non-exempt employees who are employed
12 or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State
13 of California from May 17, 2017 to June 18, 2023." ("Class" or "Class Members")

14 46. The Class Period is May 17, 2017 to June 18, 2018.

15 47. As of April 12, 2023 (the date of mediation) and based on documents and other
16 information produced by Defendant, there are approximately 2,115 Class Members.

17 48. The Aggrieved Employees are defined as: all non-exempt employees who are
18 employed or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO,
19 in the State of California from May 17, 2020 to June 18, 2023.

20 49. The PAGA Period is May 17, 2020 to June 18, 2018.

21 50. As of April 12, 2023 (the date of mediation), and based on documents and other
22 information produced by Defendant, there are approximately 1,445 Aggrieved Employees.

23 51. As detailed fully in the Settlement Agreement, the Settlement provides for
24 Defendant to pay a Gross Settlement Amount of \$400,000.00, which includes the sum of the
25 Individual Class Payments, the Class Representative service award, the Class Counsel Award,
26 PAGA Payment, and the Settlement Administration Costs.

27 52. S The Net Settlement Amount is the Gross Settlement Amount, less Class Counsel
28 Award, Class Representative Enhancement, PAGA Payment, and Settlement Administration

Costs.

KULLAR ANALYSIS

53. The proposed settlement satisfies each of the *Kullar* factors.

54. This discovery permitted Class Counsel to fairly evaluate the strength of the case and the risks associated with ongoing litigation.

55. Class Counsel is experienced in handling wage and hour class actions and, after weighing all of the following factors, supports this Agreement.

a) The Risks Associated with the Minimum Wage Claim

56. Plaintiff contends that he and the Proposed Class were forced to work on a regular and consistent basis without receiving compensation for all hours worked at the proper rate. Specifically, Plaintiff contends that Defendant deducted the cost of the purchase of plumbing tools necessary to perform the work from Plaintiff and the Class's earned wages.

57. As such, the theory of liability is Class Members are charged for tools which are deducted directly from their wages.

58. Expert analysis of Defendant's pay records reveal that on average \$2.18 is deducted per workweek for tools; thus, the class members' wages deducted per the records total \$330,973.

59. Defendant denied these allegations.

60. Defendant contends that it provides all necessary tools to Class Members and as such there is no liability.

61. Defendant explained that the tools deductions appearing the records result from a program that it offered to Class Members to allow them to purchase their own tools for work or personal use and reimburse Defendant instead of having to pay out of pocket for the tools.

62. Plaintiff acknowledges that some tools were provided, but that it was necessary for him to purchase and/or replace tools.

63. Clearly, this was a factually disputed claim.

64. If Plaintiff can establish this claim on a classwide basis, there are very strong claims

for minimum wage violations §221¹, and §203 claim that flow therefrom.

65. However, if Defendant can prove that it provides all necessary tools, there would be no recover at all for this claim and the derivative claims that flow therefrom.

66. Plaintiff had to acknowledge that this could be a tough claim to prove.

67. Defendant would likely argue that it is an individualized inquiry that requires questioning of each and every Class Member as to each tool deduction— i.e., what was it for a personal tool or a necessary tool allegedly not provided by Defendant.

68. Such an inquiry, Defendant would argue, necessarily defeats class certification.

69. It could likewise devolve into a battle of declarations with each party securing class member declarations that supported their arguments.

70. Based on this significant risk, Class Counsel contends it was appropriate to discount the full value of this claim, and the derivative wage claims, for settlement purposes.

b) The Risks Associated with the Meal Break Claim

71. Plaintiff alleges that he and the Class consistently worked shifts over five (5) hours and Defendant failed to provide Plaintiff and the Proposed Class with uninterrupted meal periods of not less than thirty (30) minutes as required by the Labor Code during the relevant time period.

72. S Plaintiff contends that a review of the records shows that meal periods punches are largely taken at the exact 5th hour according to the documents.

73. Plaintiff contends that the records are suspicious.

74. Plaintiff would argue that nearly identical records is akin to having records rife with violations that permit him to invoke the burden shifting clearly set forth in *Donahue*².

75. Such burden shifting will create a presumption of liability and thereby require

¹ Labor Code § 221 provides: “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Of course, employers can face civil penalties and even criminal charges for taking back any wages that have already been paid to an employee.

² In *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, the California Supreme Court held that time records depicting noncompliant (late, interrupted, or missed) meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage of litigation.² *Id.* at 77. Reasoning that the “affirmative defense” of waiver goes to the merits of the case, the Court in *Donohue* held, “the presumption goes to the question of liability and applies at the summary judgment stage, not just at the class certification stage.” *Id.* at 76.

1 Defendant to prove that in fact all class members got their meal periods at exactly 12-12:30 each
2 day throughout the entire class period.

3 76. Defendant vehemently denies the alleged meal break claim.

4 77. Defendant maintains that it maintained a valid written meal period policy during
5 the Class Period, had compliant practices during the Class Period, and the records show that
6 consistent meal periods were consistently documented.

7 78. Defendant contends that Plaintiff and all Class Members were provided with all
8 required meal periods and that Defendant paid meal period premiums when necessary.

9 79. This dispute presented a significant risk on the meal period claim that Plaintiff
10 considered when evaluating this settlement.

11 80. As an initial matter, Defendant meets *Brinker's* "provide" standard by maintaining
12 a valid written policy and not doing anything to interfere with the taking of lawful meal periods.

13 81. Second, Plaintiff worked with an expert to analyze Defendant's time and pay
14 records.

15 82. The records show that meal periods were taken in 80% of shifts at the 5th hour, 5%
16 were taken at the 5.5 hour mark, and 5% taken at the 6th hour.

17 83. This can be an extremely tough claim to prove on a classwide basis, however,
18 because Defendant will argue that it meets the *Brinker* "provide" standard, meal breaks are
19 consistently reflected in the records, and burden shifting is not legally appropriate because
20 *Donahue* is not applicable.

21 84. Defendant would argue that because the records largely show complaint breaks
22 were taken, it would become an individualized inquiry that would require questioning of each and
23 every Class Member as to each and every meal period in the records as to whether in fact it was
24 "provided" in compliance with the law.

25 85. Such an inquiry, Defendant would argue, necessarily defeats class certification.

26 86. Plaintiff had acknowledged there was significant risk and based on this significant
27 risk, Class Counsel contends it was appropriate to dramatically discount the full value of this claim
28 for settlement purposes.

1 c) The Risks Associated with the Reimbursement Claim

2 87. Plaintiff alleges that Defendant required employees to incur business expenditures
3 for which they were never reimbursed, including the costs of tools and mileage to perform their
4 duties.

5 88. The dispute as to tools is discussed above and will not be repeated here.

6 89. As to mileage, Defendant argued that any mileage incurred was a normal part of
7 daily commuting and was not commuting in between work sites during the workday and if for any
8 reason mileage was incurred on personal vehicles that employees simply needed to request
9 reimbursement.

10 90. Defendant argued that if any class member contends that he or she was required to
11 make stops throughout the workday in personal vehicles without reimbursement, that was an
12 individualized issue that would defeat certification.

13 91. If Defendant could establish its defenses as to liability, this claim would have little
14 to no value.

15 92. Based on the strength of the potential defenses, Class Counsel believes was
16 appropriate to discount this claim for settlement purposes.

17 d) The Risks Associated with the Inaccurate Wage Statement Claim

18 93. Plaintiff contends that the wage statements issued to him and Class Members are
19 facially defective in that they failed to indicate the name and address of the legal entity that is the
20 employer on the wage statements as they say J R Pierce Plumbing Co of Sac and its actually J.R.
21 PIERCE PLUMBING CO., INC. OF SACRAMENTO.

22 94. There is a space between J R Pierce on the wage statement as well.

23 95. Defendant contended that this was a highly technical argument that was likely to
24 fail.

25 96. In addition, Plaintiff alleges a derivative claim that Defendant issued wage
26 statements that allegedly violate Labor Code §§ 226(a)(2) and (9).

27 97. Plaintiff alleges that he and Class Members are issued wage statements that do not
28 accurately show the applicable overtime rate and the number of hours worked at the corresponding

1 rate based on Defendant's alleged failure to blend discussed above.

2 98. Plaintiff has to recognize that this is a derivative claim.

3 99. Plaintiff does not argue that Defendant failed to show required information on the
4 paystubs it issued to Class Members, only that the paystubs do not accurately show the
5 information.

6 100. While Plaintiff believes this claim is easily certifiable, Plaintiff has to acknowledge
7 that this is a more difficult argument to prevail on when it comes to assessing liability and a
8 resulting discount for settlement purposes is appropriate.

9 d) The Risks Associated with the Waiting Time Penalty Claim

10 101. Some Class Members, including Plaintiff, are no longer employed by Defendant.

11 102. Plaintiff contends that Defendant has failed to pay employees wages immediately
12 or within 72 hours of termination and/or resignation by not paying all meal period premiums owed
13 and wages.

14 103. Under California Law, Plaintiff contends that "waiting time" penalties would be
15 triggered for each former employee in the class.

16 104. Defendant argues that a good-faith belief applies here and that if it inadvertently
17 did not pay final wages to an individual, its actions were not willful.

18 105. Plaintiff responds that the well-settled meaning of "willful," as used in Labor Code
19 section 203, is that an employer has intentionally failed or refused to perform an act which was
20 required to be done.

21 106. Plaintiff contends that Defendant knew wages were owed but failed to pay them.

22 107. The risk analysis for the section 203 claim flows from the risk analysis for the
23 underlying claims discussed above.

24 108. If Defendant could prove, as it contends, that wages were not unlawfully deduct
25 and all meal periods were provided as it contends, there would be no waiting time penalties that
26 flow therefrom.

27 109. Based on the risk articulated above, Class Counsel believed a discount was also
28 appropriate here for settlement purposes.

1 e) The Risks Associated with the PAGA Claim

2 110. Plaintiff discounted the PAGA claim for settlement purposes for multiple reasons.
3 First, the aggrieved employees' PAGA claims are derivative of all the underlying class claims.
4 First, the aggrieved employees' PAGA claims are derivative of all the underlying class claims.
5 Second, a court has discretion to award less than the maximum penalty. Third ainally, the Class is
6 arguably compensated for these violations in the proposed Agreement, and thus any PAGA
7 recovery for these same violations could be deemed to be duplicative.

8 111. As such, Class Counsel believes that the Agreement's contemplated PAGA
9 payment of \$25,000.00 is appropriate.

10 112. There is significant expense associated with the class certification process, which
11 the Parties can avoid by entering into the contemplated Agreement now.

12 113. If the Court did eventually certify a meal/rest or wage statement class, trial of a case
13 involving approximately 2,115 Class Members would require the retention of expensive expert
14 witnesses, the accrual of extensive litigation costs, and a significant time overlay by the parties.

15 114. Given the complexity and unsettled nature of the issues in this case it is likely that
16 any outcome at trial would have resulted in a lengthy and costly appeal. An appeal would result in
17 further delay for the Class Members who are waiting for a resolution in this matter.

18 115. This case has not been certified to be tried as a class action. While Plaintiff believes
19 there is strong evidence to support certification of several possible subclasses, certification is
20 always hard fought and subject to judicial discretion. Moreover, in class actions, decertification
21 is always a possibility. In attempting to certify a class, the parties would need to conduct multiple
22 depositions, including of the Class Representative and of several person(s) most knowledgeable
23 regarding Defendant's applicable policies. There is a risk for both sides as to what these
24 depositions will reveal and whether they will support class certification to the extent expected.

25 116. It was very difficult for the Parties to reach this Settlement of \$400,000.00. This
26 Settlement is the result of adversarial, non-collusive, and arms-length negotiations. The Parties
27 arrived at it after extensive investigation and discovery, careful evaluation of the law, risks, and
28 all information substantiating the amount of penalties reasonably likely to be awarded to the class

1 were the trier of fact to find Defendant liable, and the assistance of an experienced mediator.

2 117. As set forth above, Plaintiff assessed the underpaid wage claim, based on the tools
3 deduction argument, at approximately \$330,973. This calculation is based on expert analysis of
4 Defendant's pay records, revealing that on average \$2.18 was deducted per workweek for tools.

5 118. Plaintiff assessed the full value of the meal period claim at approximately
6 \$1,653,844. This amount assumes a 10% violation rate for meal periods based on the data for the
7 Class (showing 5% of meals were taken at the 5.5 hour mark. and 5% taken at the 6th hour.)
8 However, if Defendant was able to defeat certification of this claim based on the arguments above,
9 this claim would be worth \$0. Based on this acute risk and as set forth above, Plaintiff determined
10 that accepting a discount of the full amount was appropriate.

11 119. With regard to the reimbursement claim analysis, Plaintiff believed that it was
12 reasonable to value the potential reimbursement at \$330,937 based on the records (on average
13 \$2.18 was deducted per workweek for tools. If Defendant could establish this was just a result of
14 reimbursements as argued, this claim would be worth \$0. Plaintiff did not place significant value
15 on the mileage claim due to Defendant's policy on mileage and reimbursements thereof.

16 120. Plaintiff valued the wage statement claim, without discount, at \$4,932,000. Plaintiff
17 used \$50 for the initial pay period and \$100 thereafter with a \$4,000 cap on wage statement
18 penalties per employee per Labor Code §226(e)(1). Due to the risk discussed above that 226(a)
19 liability would not attach at all Plaintiff determined that a steep discount of this claim was fair for
20 settlement purposes.

21 121. Plaintiff valued the waiting time penalty claim, tied to the Wage/Overtime claim,
22 at \$ 1,418,050. Considering the derivative nature of Labor Code §203, the legal dispute over whether
23 class members were owed any wages at all, and the risk that Plaintiff could not prove "wilfulness",
24 Plaintiff determined that accepting a discount on this claim was appropriate.

25 122. Plaintiff assessed the maximum value of the PAGA claim as \$8,493,200 which is
26 based upon 85,790 pay periods in the applicable date range using \$100 per pay period. The main
27 risk taken into account with PAGA is the discretionary nature of the penalty award. A judge can
28 award the statutory maximum of \$100 for the initial violation and \$200 thereafter or – in theory –

one cent per wage statement. While there is a dearth of available authority, in Class Counsel's view, were he to succeed on any of the underlying Labor Code violations, it is not likely that a Judge would also award a large amount of penalties of top of any damages recovered.

123. Thus, per Plaintiff's assessment set forth here, the potential value of all of Plaintiff's and the Class Members' claims was approximately \$16,828,031. However, the bulk of this exposure is in penalties attribute to the Labor Codes §203, 226(a), and 2699. If just the core potential claims for tools, meal periods, and rest periods are evaluated the exposure number drops dramatically to \$1,984,781. In light of this, and guided with the expert assistance of the mediator, Class Counsel determined that accepting a reduced amount for settlement purposes is fair and reasonable to the Class. Class Counsel believes that the Gross Settlement Amount of \$400,000.00 is fair and reasonable.

ATTORNEY COMPETENCE

124. Kingsley & Kingsley is extremely experienced in prosecuting employment litigation, and since 2000 we have focused our practice on wage, hour, and working condition violations. My firm is well versed in class action litigation and has diligently and aggressively pursued this action. Kingsley & Kingsley currently serves as class counsel for several dozens of pending class action lawsuits in Northern, Central, Eastern, and Southern California in both State and Federal Court. Below is a small, but representative sampling of wage and hour cases handled by my firm:

- a. *Goodman v. Crystal Ventures, Inc.* (No. BC245561, L.A. Super. Ct.) In January 2002, Hon. Anthony Mohr granted final approval of settlement in the gross amount of \$255,000 and the court approved the attorneys' fee request of 33 1/3%.
- b. *Johnston v. The Cheesecake Factory* (No. BC316180, L.A. Super. Ct.) In December 2005, Honorable Rita Miller granted final approval of Settlement in the gross amount of \$4,000,000 and the court granted attorneys' fees request of 30%.
- c. *Tumino v. HOB Entertainment* (No. BC327962, L.A. Super. Ct.) In May 2006, the Honorable Conrad R. Aragon granted final approval of Settlement in the gross amount of \$1,000,000 and the court granted attorneys' fees request of 30%.

- d. *Ryan v. Hilton Hotels Corporation*, (No. BC364260, L.A. Super. Ct.) In March 2008, the Honorable Mary Thornton House granted final approval of Settlement in the gross amount of \$1,675,000.00 and the court granted attorneys' fees request of 33 1/3%.
- e. *Gerritson v. Styles For Less, Inc.*, (No. BC402921, L.A. Super. Ct.) In September 2010, the Hon. Kenneth R. Freeman granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.
- f. *Lewis v. Collabrus, Inc., et al.*, (No. 109CV-142927, Santa Clara Super. Ct.) In March 2012, the Honorable James P. Kleinberg granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.
- g. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (No. BC402739, L.A. Super. Ct.) In June 2013, the Honorable Lee Smally Edmund granted final approval of Settlement in the gross amount of \$4,700,000.00, and the court granted attorneys' fees request of 38%.
- h. *Anderson v. Total Renal Care, Inc.*, (No. BC388335, L.A. Super. Ct.) In January 2014, the Honorable William F. Highberger granted final approval of Settlement in the gross amount of \$1,500,000.00 and the court granted attorneys' fees request of 33.33%.
- i. *Rojas, et al. v. Sunview Vineyards of California, Inc.*, Eastern District (1:09-cv-00705 AWIJLT). This certified class action was approved for final settlement by the Honorable Anthony W. Ishii in October 2015, in the gross amount of \$4,550,000.00, with attorneys' fees approved in the amount of \$1,137,500.00.
- j. *Westbrook v. International Surfacing Systems*, (No. RG10510015, Alameda Super. Ct.) In August 2015, the Hon. Wynne Carvill granted final approval of Settlement in the gross amount of \$995,000.00, and the court granted attorney's fees request of 33.33%.

- 1 k. *Kane et al. v. Valley Slurry Seal*, (No. CV08-2483, Yolo Super. Ct.) In March 2016
2 after a class trial with a verdict in the class's favor, the Honorable Daniel P.
3 Maguire, awarded Kingsley & Kingsley and co-counsel \$996,232.72 in attorney's
4 fees.
- 5 l. *Aparacio v. Abercrombie & Fitch Stores, Inc.*, (No. BC499281, L.A. Super. Ct.) In
6 June 2016, the Hon. Kenneth Freeman granted final approval of Settlement in the
7 gross amount of \$2,000,000.00, and the court granted attorney's fees request of
8 33.33%.
- 9 m. *Isaguirre v. Guess?, Inc., Los Angeles Superior Court (BC357631)*. The matter was
10 proposed for final settlement by the Honorable Richard L. Fruin on February 19,
11 2016, in the gross amount of \$5,250,000.
- 12 n. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (BC402739).
13 The matter was approved for final settlement by the Honorable Lee Smally Edmund
14 in June 2013, in the gross amount of \$4,700,000.00, with attorney's fees request of
15 38%.
- 16 o. *Munoz, et al. v. Giumarra Vineyards Corporation*, United States District Court for
17 the Eastern District of California (Case No.: 1:09-cv-00703 - AWI – JLT). The
18 matter was approved for final settlement by the Honorable Anthony W. Ishii in
19 November 2017, in the gross amount of \$6,100,000.00, plus interest, with
20 attorney's fees benchmark award of \$1,525,000.
- 21 p. *Pineda, et al. v. Grimmway Enterprises, Inc.*, Kern County Superior Court (BCV-
22 15-101333). The matter was approved for final settlement before the Hon. Stephen
23 D. Schuett, Dept. 10, in January 2018, in the gross amount of \$9,000,000 with
24 attorneys' fees request of 33.33%.

25 125. Kingsley & Kingsley, APC filed its first class certification motion in the year 2000
26 and since that time has been appointed class counsel on dozens of wage and hour class actions that
27 have been approved for class certification. Since 2012, Kingsley & Kingsley, APC has moved for
28 class certification in 15 matters and has successfully obtained class certification in 15 of those

cases. A brief sampling of which includes:

- a. *Lewis v. Collabrus, Inc., Santa Clara County Superior Court (109CV-142927), approved for Class Certification in 2011.*
- b. *Melendrez v. JK Communications, No. BC497692, (L.A. Super. Ct., filed December 19, 2012) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*
- c. *Amaro, et al v. Gerawan Farming, Inc., No. 1:14-cv-00147-DAD-SAB (E.D. Cal., filed February 3, 2014) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*
- d. *Suarez v. Mazatlan, Inc., No. 37-2015-00002978-CU-OE-CTL (S.D. Super. Ct., filed January 27, 2015) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*
- e. *Ruiz v. Daniel C. Salas Harvesting, Inc., Kings County Superior Court (16 C 0214), contested class certification granted in June 2020.*
- f. *Weldon v. Geo Corrections & Detentions, LLC, Kern County Superior Court (BCV-16-102833), contested class certification granted in 2018.*
- g. *Patton v. Skyler Electric, Nevada County Superior Court, (CU17-082544), contested class certification granted in June 2020.*
- h. *Hameister v. Jaco Oil Company, Kern County Superior Court (BCV-17-102876), contested class certification granted in August 2020.*

126. Class Counsel is experienced in the handling of wage and hour class actions and supports this Settlement. Based on its analysis, Class Counsel believes that this settlement is fair and reasonable and in the best interest of the Class.

127. After factoring in the risks explained above, Class Counsel believes that the proposed settlement is fair and reasonable.

128. This allocation distributes Settlement Agreement funds proportionally to each Class Member's potential damages and should therefore be approved as fair, adequate, and reasonable.

1 **SERVICE AWARD TO THE NAMED PLAINTIFF**

2 129. The Class Representative is entitled to an enhancement for his valiant effort and
3 time expended in this matter. The time spent by Hector Sanchez is significant and includes
4 researching and retaining competent counsel; providing information to Class Counsel regarding
5 the nature of the work at Defendant; compiling relevant documents; working closely with Class
6 Counsel to develop the theories of liability and martial relevant evidence; regularly discussing the
7 status of the case with Class Counsel; discussing the case via telephone with many Class Members;
8 making himself available to attend a full-day of mediation and staying in contact that day as
9 needed; and responding promptly to Class Counsel’s communications regarding settlement.

10 130. As set forth in the Agreement, Plaintiff will also be entering into a general release
11 of liability pursuant to Civil Code Section 1542.

12 131. Class Counsel considers this to be a fair and reasonable enhancement. The
13 enhancement takes into consideration the time, effort, and expense incurred by Plaintiff in coming
14 forward to litigate this matter on behalf of all Class Members. Plaintiff will provide a detailed
15 declaration with the Final Approval Motion detailing his participation and further justification for
16 the enhancement.

17 **SUBMISSION TO THE LABOR WORKFORCE DEVELOPMENT AGENCY**

18 132. Proof of submission of Plaintiff’s Motion, all related documents, and copy of the
19 email from the LWDA confirming receipt is attached to the Declaration of Kelsey M. Szamet as
20 Exhibit “3.”

21 **EXHIBITS**

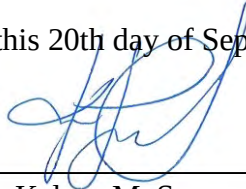
22 133. Attached hereto as Exhibit “1” is a true and correct copy of the fully-executed Class
23 Action and PAGA Settlement Agreement (“Agreement”).

24 134. Attached hereto as Exhibit “2” is a true and correct copy of the Settlement
25 Administrator (Xpand Legal)’s pricing bid.

26 135. Attached hereto as Exhibit “3” is a true and correct copy of the proof of submission
27 of Plaintiff’s Motion, all related documents, and copy of the email from the LWDA confirming
28 receipt.

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

3 This Declaration was executed this 20th day of September, 2023, in Altadena, California.



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6 Kelsey M. Szamet
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EXHIBIT "1"

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Hector Sanchez (“Plaintiff”) and Defendant J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO (“Defendant” or “J.R. Pierce”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO captioned *HECTOR SANCHEZ, an individual, on behalf of himself and others similarly situated, PLAINTIFF, v. J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO; and DOES 1 thru 50, inclusive, DEFENDANTS*, Case No. 34-2021-00300960 initiated on May 17, 2021 and pending in Superior Court of the State of California, County of Sacramento.
- 1.2. “Administrator” means Xpand Legal, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all non-exempt employees who are employed or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State of California from May 17, 2020 to June 18, 2023.
- 1.5. “Class” means all non-exempt employees who are employed or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State of California from May 17, 2017 to June 18, 2023.
- 1.6. “Class Counsel” means Kingsley & Kingsley, APC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English [with a Spanish translation, if applicable] in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from May 17, 2017 to June 18, 2023.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Sacramento.
- 1.16. “Defendant” means named Defendant J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO.
- 1.17. “Defense Counsel” means Cook Brown, LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means \$400,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of pay periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from May 17, 2020 to June 18, 2023.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s May 17, 2021 letter to Defendant and the LWDA, as amended on May 23, 2023, providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$3,000.) and 75% to LWDA (\$9,000) in settlement of PAGA claims.
- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means Hector Sanchez, the named plaintiff in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.41. "Released Parties" means: Defendant and all of its past or present owners, officers, directors, shareholders, members, executives, partners, employees, insurers, managers, agents, representatives, predecessors, successors, parents, subsidiaries, joint ventures and affiliated entities.
- 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On May 17, 2021, Plaintiff commenced this Action by filing a Complaint against Defendant alleging causes of action for: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, 1194.2, and 1199; (2) Failure to Reimburse Business Expenses under Labor Code § 2802; (3) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor Code § 226(a); (4) Waiting Time Penalties Pursuant to Labor Code § 203; (5) Violation of Business & Professions Code § 17200; Also on May 17, 2021, in compliance with Labor Code § 2699.3(a)(1), Plaintiff gave written notice to Defendant and the Labor and Workforce Development Agency (“LWDA”) regarding his intent to seek civil penalties under PAGA for the Labor Code violations alleged previously. On July 22, 2021, Plaintiff filed a First Amended Class and Representative Action Complaint adding an additional claim for penalties under Labor Code § 2699 et seq., the Private Attorneys General Act (“PAGA”), for the causes of action alleged previously. As part of the Settlement, the Parties agreed to stipulate to the filing of a Second Amended Complaint adding an additional cause of action for failure to provide meal periods pursuant to Labor Code §§ 226.7 and 512. The Second Amended Complaint, filed on June 8, 2023, is the operative complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged. As part of the Settlement, the Parties also agreed that Plaintiff would file an amended PAGA Letter with the LWDA to add the same claims; the amended PAGA letter was filed on May 23, 2023.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On April 12, 2023, the Parties participated in an all-day mediation presided over by Hon. Howard Broadman (Ret.) which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Plaintiff’s timesheets, personnel documents and payroll records, as well as Defendant’s handbook and sample time and payroll documents. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5. The Court has not granted class certification.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$400,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$5,000.00 (in addition to any Individual Class Payment [and any Individual PAGA Payment] the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
 - 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.33%, which is currently estimated to be \$133,320.00 and a Class Counsel Litigation Expenses Payment of not more than \$15,000.00. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses

Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$25,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$25,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported by the Administrator on an IRS W-2 Form. 40% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for penalties, and another 40% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest. (the "Non-Wage Portion").ⁱ The Non-Wage Portions are not subject to wage withholdings and will be reported by the Administrator on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$12,000.00 to be paid from the Gross Settlement Amount, with 75% (\$9,000) allocated to the LWDA PAGA Payment and 25% (\$3,000) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$3,000) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any employee taxes owed on their Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records through the mediation date, Defendant estimates there were 2,115 Class Members who collectively worked a total of 151,806 Workweeks, and 1,445 Aggrieved Employees who worked a total of 82,089 PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date. The Administrator shall calculate and inform Defendant at least 14 days in advance of the amount of employer payroll taxes owed on the Wage Portion of the Participating Class Members' Individual Class Payments and for remitting and reporting the employer tax payments to the appropriate taxing authorities.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Legal Services of Northern California, a nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient"). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 5. RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:
- 5.1 Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from any and all any and all charges,

complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity, which he may now have or may have after the signing of this Agreement, arising out of or in any way connected with his employment with Defendant, including, the Released Class Claims and Released PAGA Claims, claims that were asserted or could have been asserted in the Action, and any and all transactions, occurrences, or matters between the Parties occurring prior to the date this Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but not be limited to, any and all claims under the (a) Americans With Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Labor Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; (r) the California Wage Orders, and (s) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Participating Class Members : All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, potential or actual, that are alleged, or that reasonably could have arisen out of the same facts alleged in the Operative Complaint and the PAGA Letter during the Class Period, including: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, 1194.2, and 1199; (2) Failure to Provide Meal Periods Pursuant to Labor Code §§ 226.7 and 512 and IWC Wage Orders 4-2001 and 16-2001; (3) Failure to Reimburse Business Expenses under Labor Code § 2802 and IWC Wage Orders 4-2001 and 16-2001; (4) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor Code § 226(a) and IWC Wage Orders 4-2001 and 16-2001; (5) Waiting Time Penalties Pursuant to Labor Code §§ 201-203; (6) Violation of Business & Professions Code §§ 17200-17208; and (7) Penalties Pursuant to Labor Code § 2699, et seq. Except as set forth in Section 5.1 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties during the PAGA Period, whether known or unknown, contingent or accrued, potential or actual, that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, the PAGA Notice and Amended PAGA Notice including: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, 1194.2, 1198, and 1199; (2) Failure to Provide Meal Periods Pursuant to Labor Code §§ 226.7 and 512 and IWC Wage Orders 4-2001 and 16-2001; (3) Failure to Reimburse Business Expenses under Labor Code § 2802 and IWC Wage Orders 4-2001 and 16-2001; (4) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor Code § 226(a) and IWC Wage Orders 4-2001 and 16-2001; (5) Waiting Time Penalties Pursuant to Labor Code §§ 201-203; (6) Violation of Business & Professions Code §§ 17200-17208; and (7) Penalties Pursuant to Labor Code § 2699, et seq.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals, if applicable.

6.1 Defendant's Declaration in Support of Preliminary Approval. Within 15 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and Defendant shall aver that

they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator and/or the proposed Cy Pres; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Xpand Legal to serve as the Administrator and verified that, as a condition of appointment, Xpand Legal agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel (with employee names redacted) and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the employee identification numbers of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the employee identification numbers of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid) (with employee names and addressed redacted). Only Defense Counsel shall receive information containing employee names.
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Tax Administration. The Administrator shall be responsible for withholding payroll taxes from the Wage Portion of each Individual Class Payment, calculating Defendants’ share of employer payroll taxes, remitting payroll tax payments to the appropriate taxing authorities, and issuing the appropriate tax reporting forms to Class Members and Aggrieved Employees.

7.8.6 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List by employee identification number. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.7 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE** Based on its records, Defendant estimates that, as of the date of mediation, (1) there were 2115 Class Members and 151,806 Total Workweeks during the Class period and (2) there were 1,445 Aggrieved Employees who worked 82,089 Pay Periods during the PAGA Period.ⁱⁱ

Increase in Compensable Work Weeks. Upon receipt of the Class Data, in the event that the number of Compensable workweeks exceed 160,000 by the release end date of June 18, 2023, the Administrator shall notify the Parties. To the extent the number of Compensable pay periods in the Class Settlement Period increases over the 160,000 cap, Defendant shall have the option to increase the Gross Settlement Amount by \$2.50 per workweek over the 160,000 workweek, or Defendant shall have the option to change the release date to decrease the number of workweeks to be within the 160,000 cap. If the escalator clause is triggered and Defendant remits additional monies to the Gross Settlement Amount, Class Counsel shall be entitled to 1/3 of that increased amount as attorneys' fees. If Defendant elects not to increase the Gross Settlement Amount proportionately, Defendant shall notify Class Counsel of its decision in writing within ten (10) days of receiving the number of Class Members from the Administrator.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or

effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions,

writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. **ADDITIONAL PROVISIONS.**

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement

confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this

Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given

as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Kingsley & Kingsley, APC
Eric B. Kingsley
Kelsey M. Szamet
16133 Ventura Blvd., Suite 1200
Encino, CA 91436

To Defendant:

Cook Brown, LLP
Carrie E. Bushman
Zachary H. Rankin
2407 J Street, Second Floor
Sacramento, CA 95816

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: julio 20, 2023 _____

DocuSigned by:
By: Hector Sanchez-Contreras
PLAINTIFF Hector Sanchez

DATED: _____

By: _____
DEFENDANT J.R. Pierce Plumbing Co., Inc. of
Sacramento

as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Kingsley & Kingsley, APC
Eric B. Kingsley
Kelsey M. Szamet
16133 Ventura Blvd., Suite 1200
Encino, CA 91436

To Defendant:

Cook Brown, LLP
Carrie E. Bushman
Zachary H. Rankin
2407 J Street, Second Floor
Sacramento, CA 95816

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DATED: _____

By: _____
PLAINTIFF Hector Sanchez

DATED: 08/01/23

By: Matt Pierce
DEFENDANT J.R. Pierce Plumbing Co., Inc. of
Sacramento

DATED: July 26, 2023

KINGSLEY & KINGSLEY, APC

By: 
Kelsey M. Szamet
Attorneys for Plaintiff HECTOR SANCHEZ and the
proposed class

DATED: 8.1.23

COOK BROWN, LLP

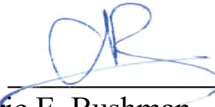
By: 
Carrie E. Bushman
Zachary H. Rankin
Attorneys for Defendant

EXHIBIT "A"

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

*HECTOR SANCHEZ, an individual, on behalf of himself and others similarly situated,
PLAINTIFF, v. J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO; and DOES 1 thru 50,
inclusive, DEFENDANTS, Sacramento County Superior Court Case No. 34-2021-00300960]*

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO (“Defendant” or “J.R. Pierce”) for alleged wage and hour violations. The Action was filed by a former J.R. Pierce employee Hector Sanchez (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt employees who are employed or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State of California from May 17, 2017 to June 18, 2023 (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who are employed or have been employed by J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO, in the State of California from May 17, 2020 to June 18, 2023 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring J.R. Pierce to fund Individual Class Payments, and (2) a PAGA Settlement requiring J.R. Pierce to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on J.R. Pierce’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to J.R. Pierce’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on J.R. Pierce’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires J.R. Pierce to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against J.R. Pierce.

If you worked for J.R. Pierce during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against J.R. Pierce.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against J.R. Pierce, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

J.R. PIERCE PLUMBING CO., INC. OF SACRAMENTO will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against J.R. Pierce that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. J.R. Pierce must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff

Written Objections Must be Submitted by [date]	reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [date]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to J.R. Pierce's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former J.R. Pierce Plumbing Co., Inc. of Sacramento employee. The Action accuses J.R. Pierce of violating California labor laws by failing to pay wages and/or overtime, failing to provide compliant meal periods, failing to reimburse business expenses, failing to provide accurate itemized wage statements, failing to pay all wages due at the time of termination, and engaging in unfair business practices. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Kingsley & Kingsley, APC. ("Class Counsel.")

J.R. Pierce strongly denies violating any laws or failing to pay any wages or business expenses and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether J.R. Pierce or Plaintiff is correct on the merits. In the meantime, Plaintiff and J.R. Pierce hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and J.R. Pierce have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims.

By agreeing to settle, J.R. Pierce does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) J.R. Pierce has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. J.R. Pierce Will Pay \$400,000.00 as the Gross Settlement Amount (Gross Settlement). J.R. Pierce has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, J.R. Pierce will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$ 133,333.33 (33.33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$25,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$12,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 40% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for penalties, and another 40% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest. (the “Non-Wage Portion”) J.R. Pierce will separately pay employer payroll taxes it owes on the Wage Portion.. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against J.R. Pierce.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against J.R. Pierce based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and J.R. Pierce have agreed that, in either case, the Settlement will be void: J.R. Pierce will not pay any money and Class Members will not release any claims against J.R. Pierce.
8. Administrator. The Court has appointed a neutral company, Xpand Legal (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and J.R. Pierce has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opt out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against J.R. Pierce or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, potential or actual, that are alleged, or that reasonably could have arisen out of the same facts alleged in the Operative Complaint and the PAGA Letter during the Class Period, including: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, 1194.2, 1198, and 1199; (2) Failure to Provide Meal Periods Pursuant to Labor Code §§ 226.7 and 512 and IWC Wage Orders 4-2001 and 16-2001; (3) Failure to Reimburse Business Expenses under Labor Code § 2802 and IWC Wage Orders 4-2001 and 16-2001; (4) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor Code § 226(a) and IWC Wage Orders 4-2001 and 16-2001; (5) Waiting Time Penalties Pursuant to Labor Code §§ 201-203; (6) Violation of Business & Professions Code §§ 17200-17208; and (7) Penalties Pursuant to Labor Code § 2699, et seq. Except as set forth in Section 5.1 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and J.R. Pierce has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against J.R. Pierce, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against J.R. Pierce or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, potential or actual, that are alleged, or that reasonably could have arisen out of the same facts alleged in the Operative Complaint and the PAGA Letter during the Class Period, including: (1) Failure to Pay Wages and/or Overtime Under Labor Code §§ 510, 1194, 1194.2, 1198, and 1199; (2) Failure to Provide Meal Periods Pursuant to Labor Code §§ 226.7 and 512 and IWC Wage Orders 4-2001 and 16-2001; (3) Failure to Reimburse Business Expenses under Labor Code § 2802 and IWC Wage Orders 4-2001 and 16-2001; (4) Failure to Provide Accurate Itemized Wage Statements Pursuant to Labor Code § 226(a) and IWC Wage Orders 4-2001 and 16-2001; (5) Waiting Time Penalties Pursuant to Labor Code §§ 201-203; (6) Violation of Business & Professions Code §§ 17200-17208; and (7) Penalties Pursuant to Labor Code § 2699, et seq.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Hector Sanchez v. J.R. Pierce Plumbing Co., Inc. of Sacramento , and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least [insert] days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [need details] or the Court's website [need details].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [date].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action Hector Sanchez v. J.R. Pierce Plumbing Co., Inc. of Sacramento and include your name, current address, telephone number, and approximate dates of employment for J.R. Pierce and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department 27 of the Sacramento Superior Court, located at 720 Ninth Street, Sacramento, CA 95814-1311. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via [insert Sacramento Superior Court virtual hearing info]. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything J.R. Pierce and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Sacramento County Superior Court's website at <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx> and entering the Case Number for the Action, Case No. 34-2021-00300960.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

KINGSLEY & KINGSLEY, APC
Eric B. Kingsley
Kelsey M. Szamet
eric@kingsleykingsley.com
kelsey@kingsleykingsley.com
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Tel: (818) 990-8300

Settlement Administrator:

Xpand Legal
[Email Address]
[Mailing Address]
[Telephone]
[Fax Number]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT "2"

XPAND

Case Name:

JR Pierce

Date:

April 13, 2023

Client Name:

Kelsey Szamet

Client Email:

Kelsey@kingsleykingsley.com

Xpand Contact:

Jonathan Paul

Xpand Contact Email Address:

jonathan@xpandlegal.com

Xpand Contact Phone Number:

310.948.7117

**Cost Estimate for Legal Administration Services*

**Pricing Good for 90 Days*

**Assumes Scope Within - Additional Services Priced Accordingly*

Key Assumptions Used for Pricing

Class Size	2,115
Undeliverable Mail (estimated %)	10%
Forwarded Mail (estimated %)	5%
Toll Free Telephone Support	Yes
Website	Yes
Spanish Translation	Yes
National Change of Address (NCOA)	Yes
Wage Tax Reporting	Yes
Number of States for Tax Reporting	1
Number of Payment Distributions	1
Tax Reporting Years	1
Remaining Funds After Distribution	Cy Pres

Case Setup

Service	Type	Cost Per Piece	Volume	Total
Project Manager - Case Setup, Document Review & Timeline	Hourly	\$125.00	3	\$375.00
Data Analyst - Data Analysis, Formatting, Uploading to Database*	Hourly	\$124.00	3	\$372.00
NCOA (Includes CASS & LACS)	Flat Fee	\$250.00	1	\$250.00
Spanish Translation	Flat Fee	\$1,201.35	1	\$1,201.35
Toll Free Telephone Support	Flat Fee	\$500.00	1	\$500.00
Static Website	Flat Fee	\$250.00	1	\$250.00

Total \$2,948.35

**Xpand assumes mailing data will be provided in Microsoft Excel or other usable format and will not require substantial manipulation. Additional formatting and manipulation will be billed at \$125/hour.*

Notification				
Service	Type	Cost Per Piece	Volume	Total
Print & Mail Notice Package	Per Piece	\$1.25	2,115	\$2,643.75
USPS First Class Mail - 1oz	Per Piece	\$0.61	2,115	\$1,290.15
Submission Processing (Opt Outs, Disputes, Objections)	Hourly	\$75.00	5	\$375.00
Undeliverable Mail Processing	Per Piece	\$5.00	212	\$1,057.50
Address Trace Undeliverable Mail	Per Piece	\$5.00	212	\$1,057.50
Remail Notice Package (Undeliverable & Forwards)	Per Piece	\$5.00	275	\$1,374.75
Total				\$7,798.65

Project Management				
Service	Type	Cost Per Piece	Volume	Total
Project Manager - Client Inquiries, General Oversight & Management	Hourly	\$125.00	10	\$1,250.00
Status Reporting (Ongoing & Final)	Hourly	\$75.00	5	\$375.00
Declaration (Final Approval & Payment)	Hourly	\$125.00	3	\$375.00
Executive Oversight	Hourly	\$200.00	1	\$200.00
Total				\$2,200.00

Distribution				
Service	Type	Cost Per Piece	Volume	Total
Project Manager - Setup & Preparation	Hourly	\$125.00	2	\$250.00
Data Analyst - Payment File Production & Quality Review	Hourly	\$125.00	2	\$250.00
Print & Mail Payments	Per Piece	\$1.00	2,115	\$2,115.00
USPS First Class Mail - 1oz	Per Piece	\$0.61	2,115	\$1,290.15
Undeliverable Payment Processing	Per Piece	\$2.00	212	\$423.00
Remail Payments (Undeliverable & Forwards)	Per Piece	\$3.00	275	\$824.85
Tax ID Setup & Shutdown	Flat Fee	\$500.00	1	\$500.00
Qualified Settlement Fund (QSF) Creation & Closure	Flat Fee	\$750.00	1	\$750.00
QSF Monthly Fees & Account Reconciliation	Per Piece	\$100.00	5	\$500.00
Process Remaining Funds to Cy Pres	Flat Fee	\$150.00	1	\$150.00
Total				\$7,053.00

Total Case Cost - Flat Fee: \$20,000.00

All services to be provided by Xpand Legal (hereinafter, "Xpand") to Client shall be subject to the following terms and conditions:

- **Services:** Subject to the terms hereof, Xpand agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are referenced. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not include any services not referenced in the request for proposal. These services do not constitute legal services or advice. Xpand is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.
- **Charges for Services:** Charges to the Client for services shall be on a time and materials basis at our prevailing rates and are subject to change. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to Xpand. Actual fees charged by Xpand to Client may be greater or less than the estimate, and Client shall be responsible for the payment of all charges and expenses in accordance with Section 5 below. Charges incurred related to corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. Xpand may derive financial benefits from financial institutions in connection with the deposit and investment of funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.
- **Payment of Charges:** Xpand agrees to defer payment of fees for up to 48 months or until settlement is reached, whichever is earlier. Xpand invoices are due upon receipt unless otherwise negotiated and agreed to with the Client. The entire remaining balance is due and payable at the time the Account is funded by. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement or case status, do not affect the Client's liability to Xpand for payment of services. Services are not provided on a contingency fee basis.
- **Indemnification:** Client will indemnify and hold Xpand (and the officers, employees, affiliates and agents harmless against any Losses incurred by Xpand, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any aspect of the project by Xpand in accordance with Client's instructions.
- **Confidentiality:** Xpand maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to Xpand by Client. Should Xpand ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, Xpand will notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse Xpand for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If Xpand is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, Xpand will not be liable for breach of said obligation.
- **Data Rights:** Xpand does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by Xpand in the ordinary course of business in the performance of this Agreement.
- **Document Retention:** Unless directed otherwise in writing by Client, Xpand will maintain documents and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.
- **Limitation of damages:** Xpand is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of Xpand to the Client shall not exceed the total amount billed to the Client for the services that give rise to any loss.
- **Termination:** The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to Xpand. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. Xpand may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.
- **Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of Xpand or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.
- **Force Majeure:** To the extent performance by Xpand of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond Xpand's reasonable control, then such performance shall be excused and this Agreement, at Xpand's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
- **Waiver of Rights:** No failure or delay on the part of either party in exercising any right will operate as a waiver of, or impair, any right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in writing.
- **Jurisdiction:** The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.
- **Entire Agreement:** These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

(Proof of Submission to the LWDA)

EXHIBIT "3"

(PROOF OF SERVICE)
[CCP 1013(a)(3)]
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action. My business address is 16133 Ventura Boulevard, Suite 1200, Encino, California 91436.

On September 20, 2023, I served all interested parties in this action the following documents described as: **DECLARATION OF KELSEY M. SZAMET IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

COOK BROWN LLP

Carrie E. Bushman

cbushman@cookbrown.com

Linda Johnston

ljohnston@cookbrown.com

Zachary H. Rankin

zrankin@cookbrown.com

2407 J Street, Second Floor
Sacramento, CA 95816

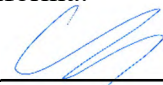
☐ **(BY MAIL)** I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage fully prepaid at Encino, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

☒ **BY ELECTRONIC SERVICE:** I caused a true and correct copy thereof to be electronically filed using the Labor and Workforce Development Agency Electronic Filing ("EF") System (<https://dir.tfaforms.net/315>) and service was completed by electronic means by transmittal of the documents referenced herein on the EF System.

☒ **BY ELECTRONIC MAIL TRANSMISSION:** I caused the document to be send to the persons at the e-mail address(es) listed on the attached service list. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. A pdf copy of which was sent via email to the below email address(es).

☒ **(STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on September 20, 2023, at Woodland Hills, California.



Michelle Tanzer