PAGA SETTLEMENT AGREEMENT AND NOTICE TO AGGRIEVED EMPLOYEES

This PAGA Settlement Agreement ("Agreement" or "Settlement") is made by and between Plaintiff Edgar Herrera ("Plaintiff") and Defendants P.W. Stephens Environmental, Inc. ("PWSE") and Scott Johnson (collectively, "Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually, as a "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Defendants, styled *Edgar Herrera v. P.W. Stephens Environmental, Inc., et al.,* Orange County Superior Court, Case No. 30-2021-01222533, filed on September 20, 2021, alleging the following claims: Failure to Provide Required Meal Periods [Cal. Labor Code §§226.7, 510, 512, 1194, 1197; IWC Wage Order No. 16-2001, §11]; Failure to Provide Required Rest Periods [Cal. Labor Code §§226.7, 512, IWC Wage Order No. 16-2001, §12]; Failure to Overtime Wages [Cal. Labor Code §§ 510, 1194, 1198; IWC Wage Order No. 16-2001, §3]; Failure to Pay Minimum Wages [Cal. Labor Code §§ 1194, 1197; IWC Wage Order No. 16-2001, §4]; Failure to Timely Pay Wages During Employment [Cal. Labor Code § 204]; Failure to Pay All Wages to Discharged and Quitting Employees [Cal. Labor Code §§201-203]; Failure to Furnish Accurate Itemized Wage Statements [Cal. Labor Code §§226(a), 1174; IWC Wage Order No. 16-2001, §7]; and Failure to Indemnify for Necessary Expenditures Incurred in Discharge of Duties [Cal. Labor Code § 2802]..

1.2. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount not to exceed $7,000, which the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses for administering the settlement.

1.4. "Aggrieved Employee" means all current or former non-exempt employees of Defendants in the State of California at any time during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Defendants' possession, including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee 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 Aggrieved Employees.

1.7. "Approval Order" means the proposed Court Order Granting Approval of PAGA

Settlement.

1.8. "Court" means the Superior Court of California, County of Orange.

1.9. "Defendants" means named Defendants PWSE and Scott Johnson.

1.10. "Defense Counsel" means Ostergar Lattin Julander LLP, including John E. Lattin, Esq.

1.11. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment.

1.12. "Gross Settlement Amount" means the amount of Three Hundred and Eighty Two Thousand Dollars ($382,000.00) which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.

1.13. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Penalties, which shall be calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.14. "Judgment" means the judgment entered by the Court based upon the Approval Order.

1.15. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.16. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.17. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is the Net Settlement Amount to be paid to Aggrieved Employees as Individual PAGA Payments and to the LWDA as a LWDA PAGA Payment, which together, represents the total amount to be paid towards the resolution of PAGA Penalties.

1.18. "PAGA Counsel" means Matern Law Group, PC, including Matthew J. Matern, Dalia Khalili, and Julia Z. Wells.

1.19. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable

attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.20. "PAGA Pay Periods" means the total number of Pay Periods that an Aggrieved Employee worked for Defendants during the PAGA Period.

1.21. "PAGA Period" means the time period from July 17, 2020 through February 4, 2026.

1.22. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.23. "PAGA Notice" means Plaintiff's May 14, 2021, letter, directed to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a), and any amendments thereto.

1.24. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount. The PAGA Penalties shall be allocated as follows: 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

1.25. "Plaintiff" means Edgar Herrera, the named plaintiff in the Action.

1.26. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.27. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.28. "Released Parties" means Defendants and each of their former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, subsidiaries, affiliates, divisions, trustees, employees, agents, representatives, administrators, fiduciaries, subrogees, executors, partners, parents, joint employers, insurers, related corporations, heirs, administrators, successors, and assigns.

1.29. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On September 20, 2021, Plaintiff commenced this representative Action by filing a representative action Complaint against Defendants PWSE and Does 1 through 50 for penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), based on claims for (i) failure to provide meal periods; (ii) failure to provide rest breaks; (iii) failure to pay overtime wages; (iv) failure to pay minimum wages; (v) failure to pay all wages due to discharged and quitting employees; (vi) failure to maintain required records; (vii) failure to furnish accurate itemized wage statements; and (viii) failure to indemnify employees for necessary expenditures ("Complaint"). On

December 4, 2025, Plaintiff filed an Amendment to the Complaint, in order to identify Scott Johnson as Doe defendant 1.

2.2. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law.

2.3. On January 4, 2024, the Court entered an order compelling Plaintiff's individual PAGA claim to arbitration, and staying the representative PAGA claim in the Action. On January 29, 2024, Plaintiff filed a Demand for Arbitration against Defendants, asserting his individual claims, before the Signature Resolution.

2.4. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice on May 14, 2021. A true and correct copy of the PAGA Notice is attached hereto as "**Exhibit A.**"

2.5. On December 4, 2025, the Parties participated in an all-day mediation presided over by experienced employment law mediator, Gig Kyriacou. Although the parties were unable to reach an agreement at the time of the mediation, the parties continued to engage in settlement discussions with the assistance of the mediator, and ultimately, agreed to a mediator's proposal to settle the Action, which led to this Agreement to settle the Action.

Prior to mediation, Plaintiff, through PAGA Counsel, conducted an investigation through formal discovery into the underlying facts, events, and issues related to the subject matter of this Action. PAGA Counsel represent that they have undertaken an analysis of the legal principles applicable to the claims asserted against Defendants, and the potential defenses thereto. Both parties have had an opportunity to evaluate their respective positions on the merits of the claims asserted. Prior to mediation, Plaintiff obtained informal discovery from Defendants, including aggrieved employees' time and payroll data and relevant policy 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"*).

2.6. The Parties, PAGA 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.

2.7. Except as necessary in a proceeding to enforce the terms of this Settlement, this Agreement and its terms will not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable laws.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Defendants promise to pay $382,000 as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount 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 Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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 Approval Order:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% (one-third) of the Gross Settlement Amount, which is currently estimated to be $127,333.33, and PAGA Counsel Litigation Expenses Payment of not more than Twenty Two Thousand Dollars ($22,000). Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA 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 PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed $7,000 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 $7,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: The Net Settlement Amount shall represent the total amount allocated as PAGA Penalties under the Settlement. Of the PAGA Penalties, 75% of the Net Settlement Amount shall be allocated to the LWDA PAGA Payment and 25% of the Net Settlement Amount shall be allocated to the Individual PAGA Payments.

3.2.3.1 The Administrator will calculate each Individual PAGA Payment a pro rata basis based on their respective number of PAGA Pay Periods, by (a) dividing the amount of the Aggrieved Employee's 25% share of PAGA Penalties (the Individual PAGA Payment) by the total number of PAGA

Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's respective number of PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2 If the Court approves PAGA Penalties different than the amount requested, the Administrator will reallocate the remainder to or from the Net Settlement Amount accordingly. For tax purposes, all Individual PAGA Payments will constitute penalties and will be reported on IRS 1099 Forms, which the Administrator will provide to Aggrieved Employees if necessary, as required by law.

3.2.3.3. An Aggrieved Employee's dispute as to the calculation or application of the formula for determining his or her Individual PAGA Payment shall be directed to, and resolved by, the Administrator, whose contact information will be included in the letter mailed to Aggrieved Employees with the checks for their Individual PAGA Payments (see Paragraph 4.4.1, below). In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Court* (*Angelo Dairy*) (2009) 46 Cal.4th 969, Aggrieved Employees are not permitted to opt-out of the Settlement. Aggrieved Employees shall have no right to object to or intervene in the Settlement, pursuant to the California Supreme Court's ruling in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 661.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 540 Aggrieved Employees who collectively worked a total of 39,700 PAGA Pay Periods during the PAGA Period.

4.2 Aggrieved Employee Data. Not later than 30 calendar days after the Court grants Approval of the Settlement, Defendants will deliver the Aggrieved Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if they discover that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee 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 Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross

Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes, by transmitting the funds to the Administrator no later than 30 calendar days after the Court enters an Approval Order.

4.4 Payments from the Gross Settlement Amount. Within 14 calendar days after Defendants fund the Gross Settlement Amount, the Administrator will distribute the payments for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. A letter substantially in the form of "**Exhibit B**" hereto, in English and Spanish, will be included in the mailing of each Aggrieved Employee's Individual PAGA Payment. The face of each check shall prominently state the date (i.e., 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks that remain uncashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Aggrieved Employees. 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 an Aggrieved Employee Address Search for all other Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 calendar 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 Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4 The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, the Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by Aggrieved Employees:

All Aggrieved Employees (including Plaintiff) 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 PAGA claims for civil penalties under California Labor Code sections 2698, et seq., predicated on the California Labor Code violations that are asserted in the LWDA Notice and operative complaint (or PAGA claims that could have been asserted based on the alleged Labor Code violations as well as the facts alleged in the operative LWDA Notice) which are for civil penalties pursuant to Labor Code section 2699, et seq. for violations of Labor Code sections 201, 202, 203, 204, 206.5, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1181.2, 1193.6, 1194, 1197, 1197.1, 1198, 1199, and 2802, and applicable Industrial Welfare Commission Wage Orders during the PAGA Period. The release does not include other Labor Code claims, claims for wrongful termination, discrimination, unemployment insurance, disability, workers' compensation, and claims outside of the PAGA Period. The Released Claims do not include any claims that cannot be released as a matter of law.

5.2 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. MOTION FOR APPROVAL OF SETTLEMENT. PAGA Counsel shall prepare and file a motion for approval of the PAGA Settlement ("Motion for Approval.")

6.1. PAGA Counsel's Responsibilities. PAGA Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft Approval Order; (ii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), the Complaint (Labor Code section 2699, subd. (l)(1)), and this Agreement (Labor Code section 2699, subd. (l)(2)). Upon the full execution of this agreement, PAGA Counsel shall obtain a prompt hearing date for the motion for approval of the PAGA Settlement. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA 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 the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA 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 ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. 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 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. 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.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, (1) there are 540 Aggrieved Employees who collectively worked a total of 39,700 PAGA Pay Periods. If the actual number of pay periods worked by the Aggrieved Employees exceeds this estimate by more than 110% (e.g., 43,670 pay periods), Defendants shall increase the Gross Settlement Amount in proportion to the increase in pay periods (e.g., if the number of pay periods is 11% greater than 39,700, Defendants shall increase the Gross Settlement Amount by 11%).

9. 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.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel 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 another party 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. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability 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 Defendants that any of the allegations in the operative complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' 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).

10.2 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.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, 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.

10.4 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.

10.5 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.

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants 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.

10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived by an express written instrument signed by counsel for all Parties, and approved by the Court.

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

10.9 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.

10.10 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.

10.11 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.

10.12 Limited Use of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Aggrieved Employee Data provided to PAGA Counsel by Defendants 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 60 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 Aggrieved Employee Data received from Defendants.

10.13 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.

10.14 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.

10.15 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: Matern Law Group, PC
Matthew J. Matern, Esq.
mmatern@maternlawgroup.com
Dalia Khalili, Esq.
dkhalili@maternlawgroup.com
Julia Z. Wells, Esq.
jwells@maternlawgroup.com
2101 E. El Segundo Boulevard, Suite 403
El Segundo, California 90245

To Defendants: Ostergar Lattin Julander, LLP
John E. Lattin, Esq.
jlattin@ostergar.com
9110 Irvine Center Drive
Irvine, CA 92618

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

10.17 Stay of Litigation. The Parties agree that upon the date of entering into the Agreement, the litigation in this Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement, 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, from date of execution to the entry of the Approval Order.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

READ CAREFULLY BEFORE SIGNING.

DATED: 06/30/2026, 2026 By Edgar E Herrera
Edgar E Herrera (Jun 30, 2026 21:06:44 PDT)
Plaintiff Edgar Herrera

On Behalf of Defendants P.W. Stephens Environmental, Inc. and Scott Johnson

DATED: _____, 2026 By _____

Name:

Title:

To Plaintiff: Matern Law Group, PC
Matthew J. Matern, Esq.
mmatern@maternlawgroup.com
Dalia Khalili, Esq.
dkhalili@maternlawgroup.com
Julia Z. Wells, Esq.
jwells@maternlawgroup.com
2101 E. El Segundo Boulevard, Suite 403
El Segundo, California 90245

To Defendants: Ostergar Lattin Julander, LLP
John E. Lattin, Esq.
jlattin@ostergar.com
9110 Irvine Center Drive
Irvine, CA 92618

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IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

READ CAREFULLY BEFORE SIGNING.

DATED: _____, 2026 By _____
Plaintiff Edgar Herrera

On Behalf of Defendants P.W. Stephens Environmental, Inc. and Scott Johnson

DATED: 6-29, 2026 By _____
Name: Scott Johnson
Title: President

Approved as to Form:

MATERN LAW GROUP, PC

Dated: __July 1___, 2026



_____
Matthew J. Matern, Esq.
Dalia Khalili, Esq.
Julia Z. Wells, Esq.
Attorneys for Plaintiff Edgar Herrera, individually, and on behalf of other aggrieved employees

OSTERGAR LATTIN JULANDER, LLP

Dated: _____, 2026

_____
John E. Lattin, Esq.
Attorney for Defendants

Approved as to Form:

MATERN LAW GROUP, PC

Dated: _____, 2026

_____
Matthew J. Matern, Esq.
Dalia Khalili, Esq.
Julia Z. Wells, Esq.
Attorneys for Plaintiff Edgar Herrera, individually, and on behalf of other aggrieved employees

OSTERGAR LATTIN JULANDER, LLP

Dated: June 29, 2026

John Lattin
_____
John E. Lattin, Esq.
Attorney for Defendants

EXHIBIT A

MATERN LAW GROUP, PC

1230 Rosecrans Avenue, Suite 200
Manhattan Beach, California 90266
www.maternlawgroup.com
Tel: (310) 531-1900 | Fax: (310) 531-1901

May 14, 2021

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

Via Certified U.S. Mail – Return Receipt Requested
P.W. Stephens Environmental, Inc.
15201 Pipeline Lane, Suite B
Huntington Beach, California 92649

Re: Notice Pursuant to California Labor Code § 2699.3
Employee: Edgar Herrera

To Whom It May Concern:

This office represents Edgar Herrera ("Mr. Herrera"), who was previously employed by P.W. Stephens Environmental, Inc. and other related entities (collectively, "P.W. Stephens"). Pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2698, *et seq.*, this letter sets forth the specific provisions of the Labor Code and Industrial Welfare Commission ("IWC") Wage Order No. 16-2001, which Mr. Herrera alleges P.W. Stephens has violated, including the facts and theories to support the alleged violations. Please be advised that this letter constitutes written notice required by Labor Code § 2699.3, subdivisions (a)(1)(A) and (c)(1)(A) and may lead to immediate action against P.W. Stephens in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against P.W. Stephens. Enclosed please find a draft of Mr. Herrera's proposed complaint, which is incorporated by reference into this notice. Under separate cover, our office is paying $75.00 to the Accounting Unit of the Department of Industrial Relations for the requisite filing fee, pursuant to Labor Code § 2699.3, subdivisions (a)(1)(B) and (c)(1)(B).

This letter also serves as notice of Mr. Herrera's demand for preservation and non-spoliation of evidence, requesting that all relevant documents and data be saved and that all electronic files and hard-copy documents that are related to Mr. Herrera's employment and potential claims must be preserved, even without a court order. Spoliation of evidence may result in legal claims for damages and monetary and evidentiary sanctions, including "adverse inference" jury instructions. Furthermore, intentional spoliation of evidence may carry criminal

consequences pursuant to California Penal Code § 135.

We are investigating a potential class and representative action on behalf of P.W. Stephens' current and former non-exempt employees in the State of California regarding, among other things, the following violations: failure to provide meal and rest periods to employees in violation of Labor Code §§ 226.7 and 512 and Wage Order No. 16-2001, §§ 11-12; failure to pay one additional hour of compensation at the employee's regular rate of compensation for each workday that a meal or rest period is not provided in violation of Labor Code § 226.7 and Wage Order No. 16-2001, §§ 11(B) and 12(B); failure to pay employees minimum wages for all hours worked in violation of Labor Code §§ 1194, 1197 and 1197.1 and Wage Order No. 16-2001, § 4; failure to pay employees overtime wages in violation of Labor Code §§ 510 and 1194 and Wage Order No. 16-2001, § 3; failure to pay employees all wages due to reporting time pay in violation of Labor Code §§ 218 & 1194 and Wage Order No. 16-2001; failure to timely pay employees all wages earned in violation of Labor Code § 204; willful failure to pay all wages due to discharged and quitting employees in violation of Labor Code §§ 201-203; failure to furnish accurate itemized wage statements to employees in violation of Labor Code § 226; failure to maintain required records pursuant to Labor Code §§ 226, 1174 and 1174.5 and Wage Order No. 16-2001, § 7; and unlawful deductions and withholdings from employees' wages in violation of Labor Code §§ 221, 223 and 224.

The allegations made by Mr. Herrera on behalf of himself and all other similarly-situated current and former non-exempt employees of P.W. Stephens in the State of California during the four years preceding the date of this notice are based on the following facts and theories: meal periods were less than thirty minutes, late (first meal periods starting after the fifth hour of work and/or second meal periods starting after the tenth hour), not given at all (including second meal periods after ten hours of work), or interrupted; rest periods were less than ten minutes, not provided, interrupted, and/or late; employees were not provided one hour of pay for each workday a meal period was not provided; employees were not provided one hour of pay for each workday a rest break was not authorized and permitted; employees were not paid proper minimum and overtime wages for all hours worked as required by California law[1]; employees were required to incur expenses in the discharge of their job duties for which they were not reimbursed; and employees were not provided with accurate, itemized wage statements showing gross wages earned, total hours worked by the employee, the net wages earned, all deductions, the name and address of the legal entity that is the employer, or the hours worked at each rate of pay. Given the overtime, meal period and rest period violations and P.W. Stephens' failure to compensate its employees fully, as set forth above, employees' wage statements were inaccurate and failed to comply with California law. In short, P.W. Stephens' unlawful employment practices and policies have deprived their employees of earned wages and other compensation.

[1] "[T]he statement that defendant has not provided its employees with proper rest periods states both the facts and the theory." *Gutierrez v. California Commerce Club, Inc.* (2010) 187 Cal.App.4th 969, 979 n.5.

Failure to Provide Meal Periods

Pursuant to Labor Code §§ 226.7 and 512 and Wage Order No. 16-2001, § 11, an employer is required to provide meal periods to its employees. An employer must provide a meal period to any employee who works a shift of more than five (5) hours and a second meal period to any employee who works a shift of more than ten (10) hours. Furthermore, an employer must pay one extra hour of compensation for each workday a meal period is not provided.

If an employee is not relieved of all duty during a meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal period is permitted only when 1) the nature of the work prevents an employee from being relieved of all duty and 2) the parties have agreed in writing to on duty meal periods.

Mr. Herrera and other aggrieved employees are non-exempt employees and are entitled to the protections of California Labor Code §§ 226.7 and 512 and Wage Order No. 16-2001, § 11. P.W. Stephens failed to provide their employees timely and uninterrupted thirty-minute meal breaks. In fact, Mr. Herrera's and other aggrieved employees' meal periods were short (less than thirty minutes), late (first meal periods after the fifth hour of work and second meal periods after the tenth hour), interrupted and/or missed. P.W. Stephens consistently failed to provide Mr. Herrera and other aggrieved employees meal breaks because Mr. Herrera and other aggrieved employees were given too much work to perform to take meal breaks.

P.W. Stephens further violated Labor Coder § 226.7 and Wage Order No. 16-2001 by failing to compensate Mr. Herrera and other aggrieved employees who were not provided with meal periods in accordance with California law one additional hour of pay at each employee's regular rate of compensation for each workday a meal period was not provided.

Failure to Authorize and Permit Rest Periods

Pursuant to Labor Code § 226.7 and Wage Order No. 16-2001, § 12, an employer is required to provide rest periods to its employees. An employer must provide a ten (10) minute rest period for every four (4) hours worked or major action thereof which insofar as practicable shall be in the middle of each work period. Furthermore, an employer must pay one extra hour of compensation for each workday a rest period is not authorized and permitted.

Mr. Herrera and other aggrieved employees were and are non-exempt employees and are entitled to the protections of Labor Code § 226.7 and Wage Order No. 16-2001. P.W. Stephens failed to authorize and permit their employees to take required rest periods. Specifically, P.W. Stephens maintained a policy or practice of not authorizing and permitting Mr. Herrera and other aggrieved employees to take one 10-minute rest break for shifts 3.5-6.0 hours, a second rest break for shifts greater than 6 hours and less than or equal to 10 hours, and a third rest break for shifts in excess of 10 hours. P.W. Stephens consistently failed to authorize and permit Mr. Herrera and other similarly-situated individuals to take rest breaks because Mr. Herrera and other similarly-situated individuals were given too much work to perform to take rest breaks. When Mr. Herrera and other aggrieved employees were able to take rest breaks, P.W. Stephens failed to authorized

and permit Mr. Herrera and other aggrieved employees to take their rest breaks in the middle of each work period insofar as practicable, and the breaks were short (less than 10 minutes), late, or interrupted.

P.W. Stephens further violated Labor Code § 226.7 and Wage Order No. 16-2001, § 12 by failing to pay Mr. Herrera and other aggrieved employees one additional hour of pay at each employee's regular rate of compensation for each workday a rest period was not authorized and permitted.

Failure to Pay Minimum Wages

Pursuant to Labor Code §§ 1194 and 1197 and Wage Order No. 16-2001, § 4, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

Mr. Herrera and other aggrieved employees are current and former non-exempt employees and are entitled to the protections of Labor Code §§ 1194 and 1197 and Wage Order No. 16-2001, § 4. P.W. Stephens failed to pay Mr. Herrera and other aggrieved employees minimum wages for all hours worked by, among other things: requiring, suffering or permitting Mr. Herrera and other similarly-situated individuals to work off-the-clock and failing to compensate them for this time; failing to compensate Mr. Herrera and other aggrieved employees for all time they were subject to P.W. Stephens' control, including during their meal and rest breaks; requiring, suffering or permitting Mr. Herrera and other aggrieved employees to work through their meal breaks but not compensating them for this time; illegally and inaccurately recording time worked by Mr. Herrera and other aggrieved employees; failing to properly maintain Mr. Herrera's and other aggrieved employees' records; failing to provide accurate itemized wage statements to Mr. Herrera and other aggrieved employees for each pay period; and other methods to be discovered.

P.W. Stephens' conduct violates Labor Code §§ 1194 and 1197 and Wage Order No. 16-2001, § 4.

Failure to Pay Overtime Wages

Pursuant to California Labor Code §§ 510 and 1194 and Wage Order No. 16-2001, § 3, an employer must compensate its employees for all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive work day, with double time for all hours worked in excess of eight (8) hours on the seventh day of any workweek, or after twelve (12) hours in any workday.

Mr. Herrera and other aggrieved employees are current and former non-exempt employees and are entitled to the protections of Labor Code §§ 510 and 1194 and Wage Order No. 16-2001. P.W. Stephens failed to compensate Mr. Herrera and other aggrieved employees for all overtime hours worked as required under the foregoing provisions of the Labor Code and IWC Wage Order by, among other things: failing to pay overtime at one and one-half (1 ½) times or double the

regular rate of pay as provided by Labor Code §§ 510 and 1194 and Wage Order No. 16-2001, § 3; requiring, suffering or permitting Mr. Herrera and other aggrieved employees to work off-the-clock; requiring, suffering or permitting Mr. Herrera and other aggrieved employees to work through meal periods but not compensating them for this time; illegally and inaccurately recording time worked by Mr. Herrera and other aggrieved employees; failing to properly maintain Mr. Herrera's and other aggrieved employees' records through falsifying hours worked; failing to provide accurate itemized statements to Mr. Herrera and other aggrieved employees for each pay period; and other methods to be discovered.

In violation of California law, P.W. Stephens has refused to perform their obligations to compensate Mr. Herrera and other aggrieved employees for all wages earned and all hours worked. P.W. Stephens' conduct violates Labor Code §§ 510 and 1194 and Wage Order No. 16-2001, § 3.

Failure to Timely Pay All Wages Earned

Pursuant to Labor Code § 204, an employer must pay its employees at least twice a month for all wages earned during the preceding pay period. Labor Code § 204 provides that labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. An employer using an alternate payday schedule must pay wages within seven calendar days of the end of the payroll period in which the wages were earned.

P.W. Stephens failed to pay Mr. Herrera and other aggrieved employees on their regularly scheduled payday for all work performed during the preceding pay period. Specifically, P.W. Stephens required Mr. Herrera and other aggrieved employees to work off-the-clock without compensation and required Mr. Herrera and other aggrieved employees to work through required meal breaks without compensation. Additionally, P.W. Stephens failed to pay Mr. Herrera and other aggrieved employees premium wages owed for each workday a meal periods was not provided and each workday a rest period was not authorized and permitted.

P.W. Stephens also failed to pay Mr. Herrera and other aggrieved employees for the overtime wages they earned in violation of Labor Code § 204. Labor Code § 204 requires an employer to pay overtime wages no later than the payday for the next regular payroll period following the payroll period in which the overtime wages were earned. P.W. Stephens knew they were required to pay overtime wages, yet on many occasions failed to pay Mr. Herrera and other aggrieved employees overtime wages on any payday.

Failure to Pay All Wages Due Upon Separation

Pursuant to Labor Code § 201, 202 and 203, an employer is required to pay all earned and unpaid wages to an employee upon separation. Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately. Pursuant to Labor Code § 202, an employer is required to pay all

accrued wages due to an employee no later than 72 hours after the employee quits his or her employment, unless the employee provided 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Labor Code § 203 provides that if an employer willfully fails to pay, in accordance with Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to thirty (30) days.

P.W. Stephens willfully failed to pay accrued wages and other compensation to Mr. Herrera and other aggrieved employees in accordance with Labor Code §§ 201 and 202. Because P.W. Stephens required Mr. Herrera and other aggrieved employees to work off-the-clock without compensation and through required meal breaks without compensation and failed to pay Mr. Herrera and other aggrieved employees the premium wages for all meal periods which were not provided and all rest periods which were not authorized or permitted, P.W. Stephens failed and continues to fail to pay the full earned and unpaid wages due to Mr. Herrera and other aggrieved employees upon separation.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226 requires every employer to furnish each of its employees an accurate itemized wage statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

P.W. Stephens failed to provide Mr. Herrera and other aggrieved employees with timely and accurate itemized wage statements in writing showing each employee's gross wages earned, total hours worked, the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, all deductions made, net wages earned, the inclusive dates of the period for which the employee is paid, the name and address of the legal entity or entities employing Mr. Herrera and other aggrieved employees, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of Labor Code § 226 and Wage Order No. 16-2001, § 7.

Specifically, P.W. Stephens had knowledge it was not providing its employees with proper meal and rest breaks; nevertheless, P.W. Stephens knowingly failed to include in the wage statements the extra hour of compensation owed for each workday a meal break was not provided and each workday a rest break was not authorized and permitted. As a result, Mr. Herrera and other aggrieved employees lost wages. In addition, P.W. Stephens had knowledge it was requiring employees to work off-the-clock and was not properly compensating its employees for all hours

worked, yet P.W. Stephens knowingly failed to include this time worked in the wage statements. As a result, Mr. Herrera and other aggrieved employees lost wages. P.W. Stephens also did not properly calculate the regular rate of pay of Mr. Herrera and other aggrieved employees. As a result, Mr. Herrera's and other aggrieved employees' wage statements did not include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

Failure to Maintain Required Records

P.W. Stephens failed to maintain records as required under Labor Code §§ 226 and 1174 and Wage Order No. 16-2001, § 7, including but not limited to the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements.

Specifically, P.W. Stephens had knowledge it was not providing its employees with proper meal and rest breaks; nevertheless, P.W. Stephens knowingly failed to include in the wage statements the extra hour of compensation owed for each workday a meal break was not provided and each workday a rest break was not authorized and permitted. In addition, P.W. Stephens had knowledge it was requiring employees to work off-the-clock and was not properly compensating its employees for all hours worked, yet P.W. Stephens knowingly failed to include this time worked in the regular rate of pay of aggrieved employees.

Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties

Labor Code §§ 2800 and 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer. P.W. Stephens failed to indemnify Mr. Herrera and other aggrieved employees for all business expenses and/or losses incurred in direct consequence of the discharge of their duties while working under the direction of P.W. Stephens in violation of Labor Code §§ 2800 and 2802, including but not limited to expenses for the use of specialty equipment, work boots, uniforms, travel-related expenses (including gas and expenses that correspond to mileage traveled), and other employment-related expenses.

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

This notice is made on behalf of all persons who are, were, or will be non-exempt employees of P.W. Stephens, or any related or alter-ego company, corporation, partnership, and/or business entity at any time on or after a date four years prior to the date of this letter in the State of California.

This notice shall be construed as extending without limitation to any past, present, future, or continuing violation of the Labor Code, the applicable IWC Wage Order, or any applicable regulation which might be discovered as a result of a reasonable and diligent investigation made pursuant to this notice.

This notice shall further represent Mr. Herrera's reasonable attempt to settle his dispute with P.W. Stephens prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to apprise P.W. Stephens of Mr. Herrera's aforementioned grievances and the proposed remedies as detailed below, while affording P.W. Stephens reasonable opportunity to meet Mr. Herrera's demands.

Demand is hereby made that Employer shall agree, in writing received at this office no later than 30 calendar days from the postmark date of this notice, as follows:

1. P.W. Stephens shall pay Mr. Herrera and all other similarly-situated persons employed by P.W. Stephens at any time during the past 48 months back pay and compensation for the above-referenced violations.

2. P.W. Stephens shall comply with all California labor laws and ensure that its non-exempt employees are paid proper overtime compensation and given required meal and rest periods.

3. P.W. Stephens shall conduct a survey or interview all current and former non-exempt employees in California during the past 48 months to obtain information from them regarding the number of meal breaks which were not provided, the number of rest breaks which were not authorized and permitted, and the number of employees who were required to pay for cell phones, uniforms, travel-related expenses or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.

4. P.W. Stephens shall pay each employee one hour of pay for each workday he or she was not authorized and permitted one or more rest periods, as required by Labor Code § 226.7. P.W. Stephens also shall pay each employee one hour of pay for each workday he or she was not provided one or more and meal periods, as required by Labor Code § 226.7.

5. P.W. Stephens shall reimburse those employees who were forced to pay for any business expenses incurred for Lumber Liquidators' benefit, including but not limited to cell phone, uniform, and travel-related expenses.

6. P.W. Stephens shall pay waiting time penalties, equal to thirty days of pay, to each former employee who was not paid all wages due as described herein.

7. P.W. Stephens shall pay accrued interest to all employees at the rate of ten percent per annum for said unpaid wages.

8. P.W. Stephens shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code § 2698 *et seq*., including but not limited to penalties under Labor Code §§ 206.5, 210, 225.5, 226.3, 558, 1174.5, 1182.12, 1197.1, 1198, 1199 and 2699 and Wage Order No. 16-2001, § 20.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please notify this office of that decision by certified mail addressed to Matern Law Group, PC, 1230 Rosecrans Avenue, Suite 200, Manhattan Beach, California 90266. Additionally, please advise us if the Agency or P.W. Stephens require additional information regarding Mr. Herrera's complaints.

Thank you for your prompt attention to this matter.

Very truly yours,

MATERN LAW GROUP, PC



Tagore O. Subramaniam, Esq.

MATERN LAW GROUP, PC
Matthew J. Matern (SBN 159798)
Email: mmatern@maternlawgroup.com
Tagore O. Subramaniam (SBN 280126)
Email: tagore@maternlawgroup.com
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, California 90266
Telephone: (310) 531-1900
Facsimile: (310) 531-1901

Attorneys for Plaintiff EDGAR HERRERA individually, and on behalf of others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

EDGAR HERRERA, individually, and on behalf of others similarly situated

Plaintiff,

vs.

P.W. STEPHENS ENVIRONMENTAL, INC., a corporation; and DOES 1 through 50, inclusive,

Defendants.

CASE NO.:

[DRAFT] COMPLAINT

CLASS ACTION:

1. Failure to Provide Required Meal Periods
2. Failure to Provide Required Rest Periods
3. Failure to Pay Overtime Wages
4. Failure to Pay Minimum Wages
5. Failure to Pay All Wages Due to Discharged and Quitting Employees
6. Failure to Maintain Required Records
7. Failure to Furnish Accurate Itemized Wage Statements
8. Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties
9. Unfair and Unlawful Business Practices

REPRESENTATIVE ACTION:

10. Penalties under the Labor Code Private Attorneys General Act, as Representative Action

DEMAND FOR JURY TRIAL

INTRODUCTION

PLAINTIFF EDGAR HERRERA ("PLAINTIFF") an individual, demanding a jury trial, on behalf of himself and other persons similarly situated, hereby alleges as follows:

JURISDICTION AND VENUE

1. The Superior Court of the State of California has jurisdiction in this matter because PLAINTIFF is a resident of the State of California, and Defendants P.W. STEPHENS ENVIRONMENTAL, INC., a corporation, and DOES 1 through 50, inclusive (collectively "DEFENDANTS"), are qualified to do business in California and regularly conduct business in California. Further, no federal question is at issue because the claims are based solely on California law.

2. Venue is proper in this judicial district and the County of ORANGE, California because PLAINTIFF, and other persons similarly situated, performed work for DEFENDANTS in the County of ORANGE, DEFENDANTS maintain offices and facilities and transact business in the County of ORANGE, and because DEFENDANTS' illegal payroll policies and practices which are the subject of this action were applied, at least in part, to PLAINTIFF, and other persons similarly situated, in the County of ORANGE.

PLAINTIFF

3. PLAINTIFF is a female resident of the State of California and an employee of DEFENDANTS.

4. PLAINTIFF, on behalf of himself and other similarly situated current and former non-exempt employees of DEFENDANTS in the State of California at any time during the four years preceding the filing of this action, and continuing while this action is pending, brings this class action to recover, among other things, wages and penalties from unpaid wages earned and due, including but not limited to unpaid minimum wages, unpaid and illegally calculated overtime compensation, illegal meal and rest period policies, failure to pay all wages due to discharged and quitting employees, failure to indemnify employees for necessary expenditures and/or losses incurred in discharging their duties, failure to provide accurate itemized wage statements, failure to maintain required records, and interest, attorneys' fees, costs, and expenses.

5. PLAINTIFF brings this action on behalf of himself and the following similarly situated class of individuals ("CLASS MEMBERS"): all current and former non-exempt employees of DEFENDANTS in the State of California at any time within the period beginning four (4) years prior to the filing of this action including those days which the Court has declared as holidays and ending at the time this action settles or proceeds to final judgment (the "CLASS PERIOD"). Moreover, the statute of limitations for this matter was tolled pursuant to Cal. Rules of Court, Appendix I, Emergency Rule No. 9. PLAINTIFF reserves the right to name additional class representatives.

DEFENDANTS

6. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANT P.W. STEPHENS ENVIRONMENTAL, INC. is and at all times relevant hereto was, a corporation organized and existing under the laws of the State of Delaware. PLAINTIFF is further informed and believes, and thereon alleges, that DEFENDANT P.W. STEPHENS ENVIRONMENTAL, INC. is authorized to conduct business in the State of California, and does conduct business in the State of California. Specifically, DEFENDANT P.W. STEPHENS ENVIRONMENTAL, INC. maintains offices and facilities and conducts business in, and engages in illegal payroll practices or policies in, the County of ORANGE, State of California.

7. The true names and capacities of DOES 1 through 50, inclusive, are unknown to PLAINTIFF at this time, and PLAINTIFF therefore sues such DOE Defendants under fictitious names. PLAINTIFF is informed and believes, and thereon alleges, that each Defendant designated as a DOE is in some manner highly responsible for the occurrences alleged herein, and that PLAINTIFF and CLASS MEMBERS' injuries and damages, as alleged herein, were proximately caused by the conduct of such DOE Defendants. PLAINTIFF will seek leave of the court to amend this Complaint to allege their true names and capacities of such DOE Defendants when ascertained.

8. At all relevant times herein, DEFENDANTS were the joint employers of PLAINTIFF and CLASS MEMBERS. PLAINTIFF is informed and believes, and thereon allege, that at all times material to this complaint DEFENDANTS were the alter egos, divisions,

affiliates, integrated enterprises, joint employers, subsidiaries, parents, principals, related entities, co-conspirators, authorized agents, partners, joint venturers, and/or guarantors, actual or ostensible, of each other. Each Defendant was completely dominated by his, her or its co-Defendant, and each was the alter ego of the other.

9. At all relevant times herein, PLAINTIFF and CLASS MEMBERS were employed by DEFENDANTS under employment agreements that were partly written, partly oral, and partly implied. In perpetrating the acts and omissions alleged herein, DEFENDANTS, and each of them, acted pursuant to, and in furtherance of, their policies and practices of not paying PLAINTIFF and CLASS MEMBERS all wages earned and due, through methods and schemes which include, but are not limited to, failing to pay overtime premiums; failing to provide rest and meal periods; failing to properly maintain records; failing to provide accurate itemized statements for each pay period; failing to properly compensate PLAINTIFF and CLASS MEMBERS for necessary expenditures; and requiring, permitting or suffering the employees to work off the clock, in violation of the California Labor Code and the applicable Welfare Commission ("IWC") Orders.

10. PLAINTIFF is informed and believes, and thereon allege, that each and every one of the acts and omissions alleged herein were performed by, and/or attributable to, all DEFENDANTS, each acting as agents and/or employees, and/or under the direction and control of, each of the other DEFENDANTS, and that said acts and failures to act were within the course and scope of said agency, employment and/or direction and control.

11. Pursuant to California Labor Code § 558.1, DEFENDANTS and any person acting on behalf of any of the DEFENDANTS, are liable for violating, or causing to violate, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or Labor Code §§ 203, 226, 226.7, 1193.6, 1194, or 2802.

12. As a direct and proximate result of the unlawful actions of DEFENDANTS, PLAINTIFF and CLASS MEMBERS have suffered, and continue to suffer, from loss of earnings in amounts as yet unascertained, but subject to proof at trial, and within the jurisdiction of this Court.

CLASS ACTION DESIGNATION

13. This action is appropriately suited for a Class Action because:

a. The potential class is a significant number. Joinder of all current and former employees individually would be impractical.

b. This action involves common questions of law and fact to the potential class because the action focuses on DEFENDANTS' systematic course of illegal payroll practices and policies, which was applied to all non-exempt employees in violation of the Labor Code, the applicable IWC wage order, and the Business and Professions Code which prohibits unfair business practices arising from such violations.

c. The claims of PLAINTIFF are typical of the class because DEFENDANTS subjected all non-exempt employees to identical violations of the Labor Code, the applicable IWC wage order, and the Business and Professions Code.

d. PLAINTIFF is able to fairly and adequately protect the interests of all members of the class because it is in his best interests to prosecute the claims alleged herein to obtain full compensation due to them for all services rendered and hours worked.

FIRST CAUSE OF ACTION

Failure to Provide Required Meal Periods

[Cal. Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 16-2001, § 11]

(Against all DEFENDANTS)

14. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

15. During the CLASS PERIOD, as part of DEFENDANTS' illegal payroll policies and practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS required, permitted or otherwise suffered PLAINTIFF and CLASS MEMBERS to take less than the 30-minute meal period, or to work through them, and have failed to otherwise provide the required meal periods to PLAINTIFF and CLASS MEMBERS pursuant to California Labor Code § 226.7, 512 and IWC Order No. 16-2001, § 11.

16. DEFENDANTS further violated California Labor Code §§ 226.7 and IWC Wage

Order No. 16-2001, § 11 by failing to compensate PLAINTIFF and CLASS MEMBERS who were not provided with a meal period, in accordance with the applicable wage order, one additional hour of compensation at each employee's regular rate of pay for each workday that a meal period was not provided.

17. DEFENDANTS further violated California Labor Code §§ 226.7, 510, 1194, 1197, and IWC Wage Order No. 16-2001 by failing to compensate PLAINTIFF and CLASS MEMBERS for all hours worked during their meal periods.

18. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses, and costs of suit.

SECOND CAUSE OF ACTION

Failure to Provide Required Rest Periods

[Cal. Labor Code §§ 226.7, 512; IWC Wage Order No. 16-2001, § 12]

(Against all DEFENDANTS)

19. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

20. At all times relevant herein, as part of DEFENDANTS' illegal payroll policies and practices to deprive their non-exempt employees all wages earned and due, DEFENDANTS failed to provide rest periods to PLAINTIFF and CLASS MEMBERS as required under California Labor Code §§ 226.7 and 512, and IWC Wage Order No. 16-2001, § 12.

21. DEFENDANTS further violated California Labor Code § 226.7 and IWC Wage Order No. 16-2001, § 12 by failing to pay PLAINTIFF and CLASS MEMBERS who were not provided with a rest period, in accordance with the applicable wage order, one additional hour of compensation at each employee's regular rate of pay for each workday that a rest period was not provided.

22. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses, and costs of suit.

THIRD CAUSE OF ACTION

Failure to Pay Overtime Wages

[Cal. Labor Code §§ 510, 1194, 1198; IWC Wage Order No. 16-2001, § 3]

(Against all DEFENDANTS)

23. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

24. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Order No. 16-2001, § 3, DEFENDANTS are required to compensate PLAINTIFF and CLASS MEMBERS for all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive workday, with double time for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in any workweek.

25. PLAINTIFF and CLASS MEMBERS are current and former non-exempt employees entitled to the protections of California Labor Code §§ 510, 1194, and IWC Wage Order No. 16-2001. During the CLASS PERIOD, DEFENDANTS failed to compensate PLAINTIFF and CLASS MEMBERS for all overtime hours worked as required under the foregoing provisions of the California Labor Code and IWC Wage Order by, among other things: failing to pay overtime at one and one-half (1 ½) or double the regular rate of pay as provided by California Labor Code §§ 510, 1194, and IWC Wage Order No. 16-2001, § 3; requiring, permitting or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring, permitting or suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest breaks; illegally and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS worked; failing to properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to provide accurate itemized wage statements to PLAINTIFF for each pay period; and other methods to be discovered.

26. In violation of California law, DEFENDANTS have knowingly and willfully refused to perform their obligations to compensate PLAINTIFF and CLASS MEMBERS for all

wages earned and all hours worked. As a proximate result, PLAINTIFF and CLASS MEMBERS have suffered, and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages, and expenses and attorneys' fees in seeking to compel DEFENDANTS to fully perform their obligations under state law, all to their respective damages in amounts according to proof at time of trial, and within the jurisdiction of this Court.

27. DEFENDANTS' conduct described herein violates California Labor Code §§ 510, 1194, 1198 and IWC Wage Order No. 16-2001, § 3. Therefore, pursuant to California Labor Code §§ 200, 203, 226, 558, 1194, 1197.1, and other applicable provisions under the California Labor Code and IWC Wage Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the unpaid balance of wages owed to them by DEFENDANTS, plus interest, penalties, attorneys' fees, expenses, and costs of suit.

FOURTH CAUSE OF ACTION

Failure to Pay Minimum Wages

[Cal Labor Code §§ 1194, 1197; IWC Wage Order No. 16-2001, § 4]

(Against all DEFENDANTS)

28. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

29. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Order No. 16-2001, § 4, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

30. During the CLASS PERIOD, DEFENDANTS failed to pay PLAINTIFF and CLASS MEMBERS minimum wages for all hours worked by, among other things: requiring, permitting or suffering PLAINTIFF and CLASS MEMBERS to work off the clock; requiring, permitting or suffering PLAINTIFF and CLASS MEMBERS to work through meal and rest breaks; illegally and inaccurately recording time in which PLAINTIFF and CLASS MEMBERS worked; failing to properly maintain PLAINTIFF's and CLASS MEMBERS' records; failing to provide accurate itemized wage statements to PLAINTIFF and CLASS MEMBERS for each pay period; and other methods to be discovered.

31. DEFENDANTS' conduct described herein violates California Labor Code §§ 1194, 1197, and IWC Wage Order No. 16-2001, § 4. As a proximate result of the aforementioned violations, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial. Therefore, pursuant to California Labor Code §§ 200, 203, 226, 558, 1194, 1197.1, and other applicable provisions under the Labor Code and IWC Wage Orders, PLAINTIFF and CLASS MEMBERS are entitled to recover the unpaid balance of wages owed to them by DEFENDANTS, plus interest, penalties, attorneys' fees, expenses, and costs of suit.

FIFTH CAUSE OF ACTION

Failure to Pay All Wages Due to Discharged and Quitting Employees

[Cal. Labor Code §§ 201, 202, 203]

(Against all DEFENDANTS)

32. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

33. Pursuant to California Labor Code § 201, 202, and 203, DEFENDANTS are required to pay all earned and unpaid wages to an employee who is discharged. California Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately.

34. Furthermore, pursuant to California Labor Code § 202, DEFENDANTS are required to pay all accrued wages due to an employee no later than 72 hours after the employee quits his or her employment, unless the employee provided 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

35. California Labor Code § 203 provides that if an employer willfully fails to pay, in accordance with California Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to 30 workdays.

36. During the CLASS PERIOD, DEFENDANTS have willfully failed to pay accrued wages and other compensation to PLAINTIFF and CLASS MEMBERS in accordance with California Labor Code §§ 201 and 202.

37. As a result, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including the waiting time penalties provided in California Labor Code § 203, together with interest thereon, as well as other available remedies.

38. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been deprived of compensation in an amount according to proof at the time of trial, but in excess of the jurisdiction of this Court, and are entitled to recovery of such amounts, plus interest thereon, and attorneys' fees and costs, pursuant to California Labor Code §§ 1194 and 2699.

SIXTH CAUSE OF ACTION

Failure to Maintain Required Records

[Cal. Labor Code §§ 226; IWC Wage Order No. 16-2001, § 7]

(Against all DEFENDANTS)

39. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

40. During the CLASS PERIOD, as part of DEFENDANTS' illegal payroll policies and practices to deprive PLAINTIFF and CLASS MEMBERS of all wages earned and due, DEFENDANTS knowingly and intentionally failed to maintain records as required under California Labor Code §§ 226, 1174, and IWC Wage Order No. 16-2001, § 7, including but not limited to the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements.

41. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and are entitled to all wages earned and due, plus interest thereon. Additionally, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5, and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in California Labor Code § 226(e), as well as other available remedies.

SEVENTH CAUSE OF ACTION

Failure to Furnish Accurate Itemized Wage Statements

[Cal. Labor Code §§ 226, 1174; IWC Wage Order No. 16-2001, § 7]

(Against all DEFENDANTS)

42. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

43. During the CLASS PERIOD, DEFENDANTS routinely failed to provide PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the legal entity or entities employing PLAINTIFF and CLASS MEMBERS, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of California Labor Code § 226 and IWC Wage Order No. 16-2001, § 7.

44. During the CLASS PERIOD, DEFENDANTS knowingly and intentionally failed to provide PLAINTIFF and CLASS MEMBERS with timely, accurate, and itemized wage statements in accordance with California Labor Code § 226(a).

45. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and seek all wages earned and due, plus interest thereon. Additionally, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties, including but not limited to civil penalties pursuant to California Labor Code §§ 226(e), 226.3, and 1174.5, and an award of costs, expenses, and reasonable attorneys' fees, including but not limited to those provided in California Labor Code § 226(e), as well as other available remedies.

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EIGHTH CAUSE OF ACTION

Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties

[Cal. Labor Code § 2802]

(Against all DEFENDANTS)

46. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the allegations in the foregoing paragraphs.

47. California Labor Code § 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.

48. During the CLASS PERIOD, DEFENDANTS knowingly and willfully failed to indemnify PLAINTIFF and CLASS MEMBERS for all business expenses and/or losses incurred in direct consequence of the discharge of their duties while working under the direction of DEFENDANTS, including but not limited to expenses for specialty equipment, work boots, uniforms, travel-related expenses (including gas and expenses that correspond to mileage traveled), and other employment-related expenses, in violation of California Labor Code § 2802.

49. As a proximate result of DEFENDANTS' unlawful actions and omissions, PLAINTIFF and CLASS MEMBERS have been damaged in an amount according to proof at trial, and seek reimbursement of all necessary expenditures, plus interest thereon pursuant to California Labor Code § 2802(b). Additionally, PLAINTIFF and CLASS MEMBERS are entitled to all available statutory penalties and an award of costs, expenses, and reasonable attorneys' fees, including those provided in California Labor Code § 2802(c), as well as other available remedies.

NINTH CAUSE OF ACTION

Unfair and Unlawful Business Practices

[Cal. Bus. & Prof. Code §§ 17200 et. seq.]

(Against all DEFENDANTS)

50. PLAINTIFF incorporates herein by specific reference, as though fully set forth, the

allegations in the foregoing paragraphs.

51. Each and every one of DEFENDANTS' acts and omissions in violation of the California Labor Code and/or the applicable IWC Wage Order as alleged herein, including but not limited to DEFENDANTS' failure and refusal to provide required meal periods, DEFENDANTS' failure and refusal to provide required rest periods, DEFENDANTS' failure and refusal to pay overtime compensation, DEFENDANTS' failure and refusal to pay minimum wages, DEFENDANTS' failure and refusal to pay all wages due to discharged or quitting employees, DEFENDANTS' failure and refusal to furnish accurate itemized wage statements; DEFENDANTS' failure and refusal to maintain required records, DEFENDANTS' failure and refusal to indemnify PLAINTIFF and CLASS MEMBERS for necessary expenditures and/or losses incurring in discharging their duties, constitutes an unfair and unlawful business practice under California Business and Professions Code § 17200 et seq.

52. DEFENDANTS' violations of California wage and hour laws constitute a business practice because DEFENDANTS' aforementioned acts and omissions were done repeatedly over a significant period of time, and in a systematic manner, to the detriment of PLAINTIFF and CLASS MEMBERS.

53. DEFENDANTS have avoided payment of wages, overtime wages, meal periods, rest periods, and other benefits as required by the California Labor Code, the California Code of Regulations, and the applicable IWC Wage Order. Further, DEFENDANTS have failed to record, report, and pay the correct sums of assessment to the state authorities under the California Labor Code and other applicable regulations.

54. As a result of DEFENDANTS' unfair and unlawful business practices, DEFENDANTS have reaped unfair and illegal profits during the CLASS PERIOD at the expense of PLAINTIFF, CLASS MEMBERS, and members of the public. DEFENDANTS should be made to disgorge their ill-gotten gains and to restore them to PLAINTIFF and CLASS MEMBERS.

55. DEFENDANTS' unfair and unlawful business practices entitle PLAINTIFF and CLASS MEMBERS to seek preliminary and permanent injunctive relief, including but not

limited to orders that DEFENDANTS account for, disgorge, and restore to PLAINTIFF and CLASS MEMBERS the wages and other compensation unlawfully withheld from them. PLAINTIFF and CLASS MEMBERS are entitled to restitution of all monies to be disgorged from DEFENDANTS in an amount according to proof at the time of trial, but in excess of the jurisdiction of this Court.

TENTH CAUSE OF ACTION

Representative Action for Civil Penalties

[Cal. Labor Code §§ 2698–2699.5]

(Against All DEFENDANTS)

56. PLAINTIFF incorporates herein by specific reference as though fully set forth the allegations in all preceding paragraphs, with exception of the allegations in paragraph 13 and the subparagraphs thereto.

57. PLAINTIFF is an "aggrieved employee" within the meaning of California Labor Code § 2699(c), and a proper representative to bring a civil action on behalf of himself and other current and former employees of DEFENDANTS pursuant to the procedures specified in California Labor Code § 2699.3, because PLAINTIFF and CLASS MEMBERS were employed by DEFENDANTS and the alleged violations of the California Labor Code were committed against PLAINTIFF and CLASS MEMBERS.

58. Pursuant to the California Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698–2699.5, PLAINTIFF and CLASS MEMBBERS seeks to recover civil penalties, including but not limited to penalties under California Labor Code §§ 2699, 210, 226.3, 558, 1174.5, 1197.1, and IWC Wage Order No. 16-2001, § 20, from DEFENDANTS in a representative action for the violations set forth above, including but not limited to violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1198, and 2802. PLAINTIFF and CLASS MEMBERS are also entitled to an award of reasonable attorneys' fees and costs pursuant to California Labor Code § 2699(g)(1).

59. Pursuant to California Labor Code §§ 2699.3, PLAINTIFF gave written notice on May 14, 2021 by online filing to the California Labor and Workforce Development Agency

("LWDA") and by certified mail to DEFENDANTS of the specific provisions of the California Labor Code and IWC Wage Orders alleged to have been violated, including the facts and theories to support the alleged violations. More than sixty-five (65) days have passed and the LWDA has not provided notice to PLAINTIFF that it intends to investigate the alleged violations.

60. Therefore, PLAINTIFF has complied with all of the requirements set forth in California Labor Code § 2699.3 to commence a representative action under PAGA.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF, individually and on behalf of all other persons similarly situated, respectfully prays for relief against DEFENDANTS and DOES 1 through 50, inclusive, and each of them, as follows:

1. For compensatory damages in an amount to be ascertained at trial;

2. For restitution of all monies due to PLAINTIFF and CLASS MEMBERS, as well as disgorged profits from DEFENDANTS' unfair and unlawful business practices;

3. For meal and rest period compensation pursuant to California Labor Code § 226.7 and IWC Wage Order No. 16-2001;

4. For liquidated damages pursuant to California Labor Code §§ 1194.2 and 1197.1;

5. For preliminary and permanent injunctive relief enjoining DEFENDANTS from violating the relevant provisions of the California Labor Code and the IWC Wage Orders, and from engaging in the unlawful business practices complained of herein;

6. For waiting time penalties pursuant to California Labor Code § 203;

7. For statutory and civil penalties according to proof, including but not limited to all penalties authorized by the California Labor Code §§ 226(e) and §§ 2698–2699.5;

8. For interest on the unpaid wages at 10% per annum pursuant to California Labor Code §§ 218.6, 1194, 2802, California Civil Code §§ 3287, 3288, and/or any other applicable provision providing for pre-judgment interest;

9. For reasonable attorneys' fees and costs pursuant to California Labor Code §§ 1194, 2699, 2802, California Civil Code § 1021.5, and any other applicable provisions providing for attorneys' fees and costs;

10. For declaratory relief;

11. For an order requiring and certifying the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, and Ninth Causes of Action as a class action;

12. For an order appointing PLAINTIFF as class representative, and PLAINTIFF's counsel as class counsel; and

13. For such further relief that the Court may deem just and proper.

DATED: May 14, 2021

Respectfully submitted,

MATERN LAW GROUP, PC

By: _____

Matthew J. Matern
Tagore O. Subramaniam
Attorneys for Plaintiff
EDGAR HERRERA, individually, and on behalf of other persons similarly situated

DEMAND FOR JURY TRIAL

PLAINTIFF hereby demands a jury trial with respect to all issues triable of right by jury.

DATED: May 14, 2021

Respectfully submitted,

MATERN LAW GROUP, PC

By:

Matthew J. Matern
Tagore O. Subramaniam
Attorneys for Plaintiff
EDGAR HERRERA, individually, and on behalf of other persons similarly situated

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

EDGAR HERRERA, individually, and on behalf of others similarly situated Plaintiff, vs. P.W. STEPHENS ENVIRONMENTAL, INC., a Delaware corporation; JORGE (last name unknown), an individual; and DOES 1 through 100, inclusive, Defendants.	CASE NO. 30-2021-01222533-CU-OE-CXC **NOTICE OF PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT**

This is to notify you that you have been designated to receive a settlement award pursuant to the California Private Attorney General Act ("PAGA"), Labor Code § 2699, *et seq.*, in connection with your employment with P.W. Stephens Environmental, Inc. ("PWSE" or "Defendant"). This settlement award arises from a lawsuit filed by plaintiffs Edgar Herrera ("Plaintiffs") against Defendant in the Orange County Superior Court, entitled *Edgar Herrera v. P.W. Stephens Environmental, Inc., et al.,* Case No. 30-2021-01222533.

In the lawsuit, Plaintiff alleges that Defendant violated California labor laws by failing to provide non-exempt employees meal and rest breaks, failing to pay all minimum and overtime wages due, failing to timely pay wages during employment, failing to pay all wages due to discharged and quitting employees, failing to maintain required records, failing to furnish accurate itemized wage statements, and failing to indemnify employees for necessary expenditures incurred in discharge of duties, and sought civil penalties under PAGA on behalf of all persons employed by Defendant as non-exempt employees in California at any time between July 17, 2020 through February 4, 2026 (the "Settlement Period"). Defendant denies any wrongdoing and all liability in the action but has agreed to settle the matter to avoid the expense and disruption of further litigation.

Enclosed please find a check in the amount of $___, which may be cashed until [180 days from date of mailing]. Funds attributable to any uncashed check will be sent after this date to the State Controller's Unclaimed Property Fund in the name of the employee. The amount of your settlement check is based on the number of pay periods you worked for Defendant in California during the Settlement Period. The amount represents penalties and will be reported on an IRS Form 1099. If you have any questions regarding tax reporting or payment, you should contact a tax professional.

Under the terms of the Court-approved settlement, you have released Defendant and all released parties of all causes of action and claims for civil penalties under the California Labor Code Private

Attorneys General Act of 2004 that were predicated on the California Labor Code violations that are asserted in the LWDA Notice and operative complaint (or PAGA claims that could have been asserted based on the alleged Labor Code violations as well as the facts alleged in the operative LWDA Notice) which are for civil penalties pursuant to Labor Code section 2699, et seq. for violations of Labor Code sections 201, 202, 203, 204, 206.5, 210, 221, 223, 224, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1181.2, 1193.6, 1194, 1197, 1197.1, 1198, 1199, and 2802, and applicable Industrial Welfare Commission Wage Orders during the PAGA Period. The release does not include other Labor Code claims, claims for wrongful termination, discrimination, unemployment insurance, disability, workers' compensation, and claims outside of the Settlement Period.

In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Court* (*Angelo Dairy*) (2009) 46 Cal.4th 969, Aggrieved Employees are not permitted to opt-out of the Settlement. Additionally, Aggrieved Employees do not have a right to object to or intervene in the Settlement, pursuant to the California Supreme Court's ruling in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 661.

If you have any questions regarding this award or the case, or if you wish to dispute the calculation or application of the formula for determining your Individual PAGA Payment, you may contact the Settlement Administrator:

Settlement Administrator
Address
Telephone Number

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.