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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

JACQUELINE JONES, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

vs.

BUILDING OPPORTUNITIES FOR SELF
SUFFICIENCY, a California corporation;
and DOES 1 through 100, inclusive,

Defendants.

Lead Case No.: RG21094560
[Consolidated with Case No. RG21112649]

Honorable Somnath Raj Chatterjee
Department 21

CLASS ACTION

**DECLARATION OF DANIEL BASS
IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
AND PAGA SETTLEMENT**

[Plaintiff's Motion for Preliminary
Approval of Class Action and PAGA
Settlement; Declaration of Proposed Class
Representative (Jacqueline Jones); and
[Proposed] Order filed concurrently
herewith]

Reservation ID: 692080932949
Date: June 30, 2026
Time: 2:30 p.m.
Department: 21

Complaint Filed: April 2, 2021
Trial Date: None Set

DECLARATION OF DANIEL BASS

I, Daniel Bass, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers for Justice, PC, attorneys of record for Plaintiff Jacqueline Jones ("Plaintiff"). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On April 2, 2021, Plaintiff filed the Class Action Complaint for Damages in the Superior Court for the County of Alameda, thereby commencing the above-captioned lawsuit ("Class Action") against Defendant for alleged violations of the California Labor Code.

3. On July 7, 2021, Plaintiff provided notice by electronic upload to the Labor and Workforce Development Agency ("LWDA") and written notice by certified mail to Defendant of her intent to pursue civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA") for Defendant's alleged violations of the California Labor Code ("PAGA Notice"). Marked and attached hereto as "EXHIBIT 1" is a true and correct copy of Plaintiff's PAGA Notice.

4. On September 13, 2021, Plaintiff filed a separate "Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq.", thereby commencing a representative PAGA action entitled *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* in the Superior Court of California for the County of Alameda, Case No. RG21112649 ("PAGA Action") (together with the Class Action, the "Actions") alleging a claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with the Plaintiff and PAGA Employees.

5. On January 21, 2022, Defendant filed its Answer to the PAGA Action.

THE PROPOSED SETTLEMENT

6. Marked and attached hereto as "EXHIBIT 2" is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff, individually and on behalf of all

1 others similarly situated and other aggrieved employees, on the one hand, and Defendant, on the
2 other hand (together, the “Parties”). The Parties and their counsel have approved the proposed
3 Notice of Class Action and PAGA Settlement and Release (“Class Notice”), which is attached to
4 the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

5 7. The Settlement provides for a Maximum Settlement Amount of \$1,000,000.00 to be
6 paid in four installments of \$250,000.00 to be paid as follows: Within thirty (30) calendar days
7 after the Final Approval, Defendant will make the first deposit in the amount of 25% of the
8 Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the
9 Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be
10 established by the Settlement Administrator (“Payment 1”). Within twelve (12) months of Final
11 Approval, Defendant will make the second deposit in the amount of 25% of the Maximum
12 Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum
13 Settlement Amount remains \$1,000,000.00] into the settlement account to be established by the
14 Settlement Administrator (“Payment 2”). Within two (2) years of Final Approval, Defendant will
15 make the third deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two
16 Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains
17 \$1,000,000.00] into the settlement account to be established by the Settlement Administrator
18 (“Payment 3”). Within three (3) years of Final Approval, Defendant will make a fourth deposit in
19 the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand
20 Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00], plus the
21 Employer Taxes into the settlement account to be established by the Settlement Administrator
22 (“Payment 4”). The Settlement Administrator will obtain funds from Defendant that are
23 sufficient for the Employer Taxes that Defendant must fund separately and in addition to the
24 Maximum Settlement Amount.

25 8. The Net Settlement Amount is the Maximum Settlement Amount less the following
26 amounts, subject to approval by the Court: Attorneys’ Fees of up to \$350,000.00 (if the Maximum
27 Settlement Amount remains \$1,000,000.00) and Costs not to exceed \$30,000.00 to Class Counsel,
28 Enhancement Payment to Plaintiff of \$10,000.00, Settlement Administration Costs to the

1 Settlement Administrator not to exceed \$12,000.00, and the PAGA Amount of \$120,000.00.
2 Assuming that the amounts allocated under the Settlement toward these payments are awarded by
3 the Court, the Net Settlement Amount that will be available for distribution to Settlement Class
4 Members is currently \$478,000.00. Additionally, 25% of the PAGA Amount (i.e., PAGA
5 Employee Amount), which is \$30,000.00 out of \$120,000.00, will be distributed to the PAGA
6 Employees, for their respective portion of the PAGA Employee Amount. The Maximum
7 Settlement Amount will be fully distributed in accordance with the terms of the Settlement and
8 there is no reversion to Defendant.

9 9. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
10 in an amount of up to 35% of the Maximum Settlement Amount (i.e., \$350,000.00, if the
11 Maximum Settlement Amount remains \$1,000,000.00) and expenses and costs of not more than
12 \$30,000.00, which will be paid out of the Maximum Settlement Amount, subject to approval by
13 the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
14 and will not receive any compensation until recovery is obtained. A description of the
15 qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by
16 Class Counsel in this matter can be found in paragraphs 17 through 29, *infra*.

17 10. The Settlement Agreement provides for payment of up to \$10,000.00 to Plaintiff as
18 an Enhancement Payment, to be paid out of the Maximum Settlement Amount subject to approval
19 by the Court. Plaintiff spent considerable time and effort to produce relevant documents and past
20 employment records and to provide the facts and evidence necessary to attempt to prove the
21 allegations. Plaintiff was available whenever Class Counsel needed her and actively tried to obtain
22 information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiff to
23 receive an Enhancement Payment, in addition to her individual settlement payment, for her
24 services on behalf of the Class, PAGA Employees, and the State of California.

25 11. The Parties have agreed to retain ILYM Group, Inc., ("Settlement Administrator")
26 to handle the notice and settlement administration process. The Parties respectfully request that the
27 Court appoint ILYM Group, Inc. to handle these procedures and serve as the Settlement
28 Administrator. Defendant will provide the Settlement Administrator with the Class List, and the

Settlement Administrator will calculate each Class Member's estimated share of the Net Settlement Amount ("Individual Settlement Share") and each PAGA Employee's estimated pro rata share of the 25% portion of the PAGA Amount. The Settlement Administrator will be responsible for printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, transmitting funds representing uncashed checks after their cancellation date to Legal Aid at Work ("Proposed *Cy Pres* Recipient"), and other duties and responsibilities set forth to process the Settlement, and as requested by the Parties. Settlement Administration Costs are currently estimated not to exceed \$12,000.00 and will be paid out of the Maximum Settlement Amount, subject to approval of the Court.

12. Under the Settlement Agreement, Defendant is responsible for any employer-side tax obligations associated with the Maximum Settlement Amount and will deposit that amount into the settlement fund in addition to the Maximum Settlement Amount. Each Settlement Class Member's Individual Settlement Share will be allocated 10% to wages and 90% to penalties, interest, and non-wage damages. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares.

CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE

13. **Ascertainability:** The proposed Class is defined as all current and former non-exempt, hourly-paid employees who were employed by Defendant in California at any time during the Class Period, which is April 2, 2017 through April 28, 2025.

14. **Numerosity:** Based on data provided by Defendant, the Class, as of November 5, 2024, is estimated to be approximately 639 individuals who worked an estimated total of 49,226 workweeks.

15. **Commonality:** Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the lawsuit, including the allegations that Defendant, with respect to Plaintiff, Class Members, and PAGA Employees,

1 *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed
2 to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay
3 wages during employment and upon termination of employment, failed to provide compliant wage
4 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
5 expenses, and thereby engaged in unfair business practices and conduct giving rise to civil
6 penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code
7 sections 2698, *et seq.*). Plaintiff also asserted that Class Members were expected to perform similar
8 job duties and were subject to the same or similar operations and employment policies, practices,
9 and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping practices with
10 respect to Plaintiff, Class Members, and PAGA Employees were substantially the same during the
11 time period at issue. As a result of said alleged uniform practices, Plaintiff claims that the Class
12 Members were not paid all of the compensation that was owed to them by Defendant. Thus, in
13 Class Counsel's view, the outcome of this litigation would be determined by Defendant's uniform
14 operations and employment practices, policies, and procedures that Plaintiff alleges applied across
15 Defendant's non-exempt, hourly-paid employees who were employed by Defendant in California
16 during the relevant time period.

17 16. **Adequacy and Typicality:** Plaintiff undertook the responsibility of representing a
18 class action against her employer. Plaintiff spent considerable time and effort to produce relevant
19 documents and past employment records and to provide the facts and evidence necessary to
20 attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her and
21 actively tried to obtain information that would benefit the Class. Plaintiff has no interests that are
22 adverse to the Class. Plaintiff was employed by Defendant during the Class Period and subject to
23 the same alleged violations and the same policies, practices, and procedures. Plaintiff took on the
24 challenge and risk of commencing and maintaining this action, and she has not yet received any
25 monetary benefit for her service to date. Plaintiff put her own interests aside and brought a publicly
26 filed lawsuit against an employer not just for her own benefit, but, instead, on behalf of other
27 hourly-paid employees and the State of California.

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EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

17. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, the firm is the attorney of record in over a dozen employment-related putative class actions in both state and federal courts in the State of California. The firm is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

18. Edwin Aiwazian is a Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained a license to practice law from the California State Bar. For over a decade, through his

1 work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of
2 consumer and employment class actions, involving wage-and-hour claims, race discrimination,
3 unfair business practices, or consumer fraud. Together with other attorneys at the firm, and in
4 many cases in conjunction with co-counsel, he has successfully litigated cases involving the
5 executive, administrative, and other overtime exemptions to the State of California and federal
6 overtime compensation requirements. Under his supervision, Lawyers *for* Justice, PC has
7 successfully obtained class certification by contested motion practice in approximately fifteen (15)
8 cases in the last decade, and litigated over 1,000 class action or representative action cases.

9 19. Arby Aiwarzian is a Shareholder of Lawyers *for* Justice, PC. He received his
10 Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum
11 laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From
12 approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
13 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
14 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
15 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth
16 Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before
17 all courts of the State of California and all United States District Courts in the State of California.
18 He has worked on many wage-and-hour class action and representative action cases, taking the
19 lead in taking and defending depositions, arguing motions, and attending mediations. He has
20 played an integral role in preparing matters for class certification, including, and not limited to,
21 successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court
22 Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court
23 Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case
24 No. RG13680477). He has worked on over one hundred (100) class action or representative action
25 cases which have resulted in settlement.

26 20. Joanna Ghosh is a Senior Partner of Lawyers *for* Justice, PC. She received a
27 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
28 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from

1 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
2 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
3 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
4 Court. She has taken and defended dozens of depositions and successfully handled motion
5 practice in class action cases regarding discovery (including and not limited to, regarding class
6 contact information), class certification (both contested class certification and stipulated class
7 certification), arbitration agreements, coordination, intervention. She has successfully handled
8 briefing and oral argument on appeal and obtained notable decisions regarding the Private
9 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*
10 *Overall Supply*, (Cal., May 24, 2017) 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert.
11 denied, cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th 175 (2019).
12 She also has extensive experience with class action and/or representative action settlements.
13 Under her and Edwin Aiwarzian's supervision, the firm has handled the class certification and court
14 approval process for hundreds of class action and/or representative action matters that have
15 successfully resolved. She is a member of the California Employment Lawyers Association.

16 21. Vartan Madoyan, is a Member of Lawyers for Justice, PC. He received his
17 Bachelor of Arts degree in Economics from the University of California, San Diego in 2007, and a
18 Juris Doctor degree from Loyola Law School in 2011, graduating with Cum Laude and Order of
19 the Coif honors. He is admitted to practice before all courts in the State of California and all U.S.
20 District Courts in California. He externed for the Honorable Victoria S. Kaufman of the United
21 States Bankruptcy Court, Central District of California, from June 2009 to August 2009. He
22 externed for the Honorable Gary A. Feess of the United States District Court, Central District of
23 California, from January 2010 to May 2010. From 2011 through and including the present, he has
24 practiced almost exclusively on complex wage and hour class action and PAGA action matters in
25 California. From October 2011 to June 2013, he was an Associate at Littler Mendelson's Century
26 City, California office, working for one of the largest employer-side labor and employment law
27 firms in the United States. From July 2013 to March 2014, he was an Associate at Sheppard,
28 Mullin, Richter & Hampton's Century City, California office. From March 2014 to July 2023, he

1 worked as an Associate and then as Counsel at Baker Hostetler LLP's Los Angeles office. From
2 August 2023 to the present, he has been a Member of Lawyers *for* Justice, PC. He has taken and
3 defended dozens of depositions and has successfully handled motion practice in class action and
4 PAGA cases regarding discovery (including and not limited to motions regarding class contact
5 information), class certification (both contested class certification and stipulated class
6 certification), dispositive motions, arbitration agreements, coordination, and intervention. He has
7 successfully handled a complex wage and hour class action and PAGA case through a trial verdict
8 in the matter of *Estrada v. Royalty Carpet Mills*, Orange County Superior Court, Case No. 30-
9 2013-00692890. He has also successfully handled briefing on appeal regarding employer efforts
10 to compel arbitration. *TitleMax of Cal. v. Pena*, California Court of Appeals for the Fifth District,
11 Case No. F084706 (Cal. Ct. App. March 28, 2023) (unpublished decision). Further, he has
12 extensive experience with settlements of class actions and PAGA actions and has handled and
13 supervised this process in over one hundred (100) cases

14 22. I am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Science
15 degree in Psychology from Missouri State University in 2009, and a Juris Doctor
16 degree from Washington University in St. Louis, School of Law in 2012, where I served as a
17 Senior Editor of the Law Review and as a member of the Note Selection Committee. I am admitted
18 to practice before all courts in the State of California, and all U.S. District Courts in California.
19 From 2014 through and including the present, my practice consisted almost exclusively of
20 complex wage and hour class action and PAGA action matters in California. I have worked at
21 several plaintiffs' side law firms, and started the employment practice at one of them. I have taken
22 and defended dozens of depositions and have successfully handled motion practice in class action
23 and PAGA cases regarding discovery (including and not limited to motions regarding class contact
24 information), class certification (both contested class certification and stipulated class
25 certification), dispositive motions, arbitration agreements, coordination, and intervention. I have
26 successfully handled a complex wage and hour class action and PAGA case at every step prior to
27 trial. I also successfully handled briefing on appeals, including employer efforts to compel
28 arbitration in *Jones v. UPS Supply Chain Solutions, Inc.*, California Court of Appeals for the First

1 District, Case No. A160726 (Cal. App. Jul 01, 2021) (unpublished decision). Further, I have
2 extensive experience with settlements of class actions and PAGA actions and have handled and
3 supervised this process in over fifty (50) cases.

4 **THE SETTLEMENT AND SUMMARY OF WORK PERFORMED**

5 23. The effectiveness of Lawyers *for* Justice, PC (“Class Counsel”) in prosecuting this
6 matter has translated into tangible monetary benefits in the following respects: (1) Class Members,
7 PAGA Employees, and the State of California recover over a reasonably short period of time as
8 opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result
9 that compares favorably with other similar class action settlements of this type given the strengths
10 and weaknesses of the cases; and (3) significant savings in Class Counsel's fees and/or costs that
11 would have only increased significantly had the cases progressed through certification, trial, and/or
12 appeals.

13 24. Class Counsel has litigated the cases for 5 years and was actively preparing the
14 matters for class certification and trial. The Parties have engaged in extensive settlement
15 negotiations and participated in a full-day mediation conducted by Steven Rottman, Esq., a well-
16 respected mediator experienced in mediating complex labor and employment matters. In the course
17 of the lawsuits and in connection with the mediation and settlement negotiations, the Parties
18 exchanged extensive information and engaged in discussions regarding their evaluations of the
19 cases and various aspects of the cases, including but not limited to, the risks and delays of further
20 litigation, the law relating to off-the-clock theory, shift differentials, regular rate, rounding, meal
21 and rest periods, PAGA representative claims, and state wage-and-hour law and enforcement, as
22 well as the evidence produced and analyzed, and the possibility of appeals, among other things.
23 During all settlement discussions, the Parties conducted their negotiations at arm’s length in an
24 adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy.
25 Defendant and its counsel felt strongly about its ability to prevail on the merits, and Plaintiff and
26 Class Counsel believed that they would be able to prevail at trial. After conducting investigations,
27 formal and informal discovery, exchange of information, extensive settlement negotiations, and
28 with the aid of the mediator’s evaluation, the Parties have agreed that the matters are well-suited

1 for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and
2 risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and
3 adequate resolution of the Released Class Claims of Plaintiff and Settlement Class Members, and
4 of the Released PAGA Claims of Plaintiff and the State of California, with respect to aggrieved
5 employees, as to the Released Parties.

6 25. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
7 and scope of the claims, and was preparing the Class Action for class certification and both
8 Actions for trial. Plaintiff conducted significant investigation and formal and informal discovery
9 regarding the facts of the cases, including and not limited to, the exchange, review, and analysis of
10 a large volume of documents and data obtained from Defendant, Plaintiff, and other sources. The
11 volume of data and documents that Class Counsel reviewed and analyzed included and was not
12 limited to: Plaintiff's and other Class Members' employment records, a detailed sampling of Class
13 Members' time and pay data, multiple Collective bargaining agreements and handbooks, company
14 policy acknowledgements, internal memoranda, job descriptions, Defendant's operations and
15 employment practices, forms (including but not limited to Defendant's Payroll Information Form,
16 Certificates of Achievement, and the At-Will Employment Acknowledgement Form), procedures
17 (including but not limited to Defendant's Overtime Standards and Procedures, Definition of "Time
18 Worked", Timesheet procedures, and new hiring forms), and policies (including but not limited to
19 the BOSS Personnel Policies & Procedures Manuel), among other information and documents.
20 Class Counsel had the opportunity to interview Plaintiff and others to gather facts and to identify
21 potential witnesses. Counsel for the Parties met and conferred on numerous occasions, e.g., to
22 discuss issues relating to the pleadings, discuss Defendant's Motion for Summary Judgment and
23 the production of documents and data prior to the mediation. Class Counsel drafted Plaintiff's
24 pleadings, an Opposition to Defendant's Motion for Summary Judgment and mediation brief and
25 prepared for and attended court proceedings, settlement negotiations, and the mediation, among
26 other tasks.

27 26. Counsel for the Parties have also invested time researching and investigating the
28 applicable law, which is constantly evolving as it relates to certification, representative PAGA

1 claims, off-the-clock theory, collective bargaining agreements, regular rate, rounding, meal and
2 rest periods, state wage-and-hour law and enforcement, Plaintiff's claims and damages, and
3 Defendant's defenses thereto, as well as facts discovered. Based on our analysis, I submit that the
4 result achieved in this litigation is fair, adequate, and reasonable.

5 27. Class Counsel is aware of the defenses and position of Defendant, but believes that
6 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and Class
7 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
8 and the difficulties and delays inherent in such litigation, including those involved in class
9 certification and/or representative adjudication. Plaintiff further recognizes the burdens of proof
10 necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the
11 difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have also
12 considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is
13 experienced and well-regarded in complex labor and employment matters.

14 28. Defendant, on the other hand, denied and continues to deny any liability and
15 wrongdoing of any kind associated with the claims alleged in the lawsuits, and further denies that
16 the lawsuits are appropriate for class treatment or representative adjudication for any purpose other
17 than this Settlement. Defendant believes that it would ultimately succeed in both cases. Both sides
18 have also had the opportunity to interview witnesses and review documents and information
19 relating to Plaintiff's, Class Members', and PAGA Employees' employment with Defendant, and
20 Defendant's operations and employment policies, practices, and procedures. The Parties also
21 reviewed and analyzed a volume of documents and data to determine the potential value and
22 strength of the claims. The available information enabled Class Counsel to assess and value the
23 class and PAGA claims and prepare violation, damages, and penalties analyses models.
24 Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently
25 informed of the nature and extent of the Class Members' claims, and to enable both sides to fully
26 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into
27 account the strengths and weaknesses of each side's position and the uncertainty of how the cases
28 might have concluded at certification, trial, and/or appeals.

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

Paul

Daniel Bass

EXHIBIT 1

LAWYERS FOR JUSTICE

July 7, 2021

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: BUILDING OPPORTUNITIES FOR SELF-SUFFICIENCY

Dear Representative:

We have been retained to represent Jacqueline Jones against Building Opportunities for Self-Sufficiency (including any and all affiliates, subsidiaries, parents, directors, officers, and employees) (collectively referred to as "Building Opportunities for Self-Sufficiency") for violations of California wage-and-hour laws. Ms. Jones seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Jones seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Building Opportunities for Self-Sufficiency employed Ms. Jones as an hourly-paid, non-exempt employee from approximately July 2017 to approximately September 2020, in the State of California.

The "aggrieved employees" that Ms. Jones may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Building Opportunities for Self-Sufficiency has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

Building Opportunities for Self-Sufficiency required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, work related inquiries. Building Opportunities for Self-Sufficiency rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Building Opportunities for Self-Sufficiency over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Jones and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Jones and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Building Opportunities for Self-Sufficiency required Ms. Jones and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Building Opportunities for Self-Sufficiency also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Building Opportunities for Self-Sufficiency did not provide Ms. Jones and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Building Opportunities for Self-Sufficiency were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Jones and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Jones and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Jones and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Jones and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Jones and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Building Opportunities for Self-Sufficiency failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Jones and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Building Opportunities for Self-Sufficiency did not provide Ms. Jones and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor

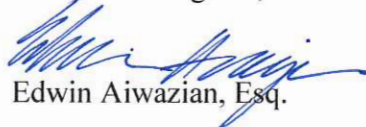
more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Jones and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Jones and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Jones and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Building Opportunities for Self-Sufficiency. These costs include, but are not limited to, the use of personal phones for business-related purposes and the purchase of business-related supplies.

Therefore, on behalf of all aggrieved employees, Ms. Jones seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Edwin Aiwanian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Building Opportunities for Self-Sufficiency
c/o Donald Frazier
Agent for Service of Process
1918 University Ave., Ste 2A
Berkeley, CA 94704

EXHIBIT 2

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This “Joint Stipulation of Class Action and PAGA Settlement and Release” (“Settlement” or “Agreement”) is made and entered into by and between Jacqueline Jones (“Plaintiff”), individually, on behalf of all others similarly situated, and on behalf of the State of California with respect to PAGA Employees pursuant to the Private Attorneys General Act, and Defendant Building Opportunities for Self-Sufficiency (collectively, Plaintiff and Defendant are referred to as the “Parties” and individually they are referred to as “Party”).

This Joint Stipulation of Class Action and PAGA Settlement and Release shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California with respect to PAGA Employees (as defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On April 2, 2021, Plaintiff filed a class action complaint for damages, thereby commencing a putative class action entitled *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* in the Superior Court of California for the County of Alameda, Case No. RG21094560 (“Class Action”) against Defendant for alleged violations of the California Labor Code.

2. On July 7, 2021, Plaintiff provided notice by electronic upload to the Labor and Workforce Development Agency (“LWDA”) and written notice by certified mail to Defendant of her intent to pursue civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* (“PAGA”) for Defendant’s alleged violations of the California Labor Code (“PAGA Notice”). A true and correct copy of the PAGA Notice is attached hereto as “**EXHIBIT B.**”

3. On September 13, 2021, Plaintiff filed a separate “Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq.”, thereby commencing a representative PAGA action entitled *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* in the Superior Court of California for the County of Alameda, Case No. RG21112649 (“PAGA Action”) (together with the Class Action, the “Actions”) alleging a claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with the Plaintiff and PAGA Employees.

1 4. Defendant denies all material allegations set forth in the Operative Complaints and/or the
2 PAGA Notice, denies any liability or wrongdoing of any kind associated with the claims alleged in the
3 Actions, disputes any wages, damages and penalties claimed by Plaintiff are owed, and further contends
4 that, for any purpose other than settlement, the Actions are not appropriate for class or representative
5 action treatment. Defendant contends, among other things, that at all times it complied with the
6 California Labor Code and the Industrial Welfare Commission Wage Orders. This Agreement does not
7 constitute, and is not intended to constitute, an admission by Defendant as to the merits, validity, or
8 accuracy of any of the allegations or claims made against it in the Actions and/or PAGA Notice.

9 5. Class Counsel diligently investigated the claims against Defendant, including any and all
10 applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of
11 information, data, and documents, and review of Defendant's employment and operations policies,
12 practices, and procedures.

13 6. On November 5, 2024, the Parties participated in mediation with Steven Rottman, Esq.
14 (the "Mediator"), a respected mediator of complex wage and hour actions, and, while the case did not
15 settle at mediation, the Parties continued to engage in informal settlement negotiations, and with the
16 assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized herein.
17 The settlement discussions were conducted at arm's-length, and the Settlement is the result of an
18 informed and detailed analysis of Defendant's potential liability and exposure in relation to the costs
19 and risks associated with continued litigation. Based on the documents produced, as well as Class
20 Counsel's own independent investigation and evaluation, Class Counsel believe that the Settlement with
21 Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair,
22 reasonable, and adequate and is in the best interest of the Class Members, the State of California, and
23 PAGA Employees in light of all known facts and circumstances, including the risk of significant delay
24 and uncertainty associated with litigation and various defenses asserted by Defendant.

25 7. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
26 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
27 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
28 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

8. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

a. “Attorneys’ Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and settlement of the Actions and all actual costs incurred and to be incurred by Class Counsel in the Actions, as set forth in Paragraph 13.

b. “Class Counsel” means Arby Aiwarzian, Joanna Ghosh, and Daniel Bass of Lawyers *for* Justice, PC.

c. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s last-known full name, mailing address, email address, telephone number, Social Security Number, and start and end dates employed as a non-exempt, hourly-paid employee of Defendant in California during the Class Period.

d. “Class Member(s)” or “Class” means all current and former non-exempt, hourly-paid employees who were employed by Defendant in California at any time during the Class Period. Defendant estimates that the number of Class Members is approximately Six Hundred and Thirty Nine (639) individuals as of November 5, 2024.

e. “Class Notice” means the “Notice of Class Action Settlement” attached as “**Exhibit A**” or, alternatively, as otherwise approved by the Court.

f. “Class Period” means the time period from April 2, 2017 through April 28, 2025.

g. “Class Representative” or “Plaintiff” mean Jacqueline Jones.

h. “Class Settlement” means the settlement and resolution of all Released Class Claims.

i. “Court” means the Superior Court of California for the County of Alameda.

j. “Defendant” means Building Opportunities for Self-Sufficiency.

k. “Defendant’s Counsel” means Kathleen Carter and Jeffrey Gillette of Messner

1 Reeves LLP.

2 1. “Effective Date” means the date when all of the following events have occurred:
3 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel;
4 (2) the Court has granted Preliminary Approval; (3) the Class Notice has been mailed to the Class
5 Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out
6 of the Class Settlement; (4) the Court has held a Final Approval Hearing and entered Final Approval;
7 and (5) the later of the following events: five (5) business days after the period for filing any appeal,
8 writ, or other appellate proceeding opposing the Court’s Final Approval has elapsed without any appeal,
9 writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other appellate
10 proceeding opposing the Court’s Final Approval has been filed, five business days after any appeal,
11 writ, or other appellate proceedings opposing the Settlement has been finally and conclusively dismissed
12 with no right to pursue further remedies or relief.

13 m. “Employer Taxes” means the employers’ share of taxes and contributions in
14 connection with the wages portion of Individual Settlement Shares.

15 n. “Enhancement Payment” means the amount to be paid to Plaintiff in recognition
16 of her efforts and work in prosecuting the Actions as set forth in Paragraph 14.

17 o. “Final Approval” means the determination by the Court that the Settlement is fair,
18 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

19 p. “Final Approval Hearing” means the hearing at which the Court will consider and
20 determine whether the Settlement should be granted Final Approval.

21 q. “Individual PAGA Payment(s)” means the *pro rata* share of the PAGA Employee
22 Amount that a PAGA Employee may be eligible to receive for the PAGA Settlement, to be calculated
23 in accordance with Paragraph 18.

24 r. “Individual Settlement Payment(s)” means the net payment of each Settlement
25 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
26 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
27 Paragraph 17.

28 s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement

1 Amount that a Class Member may be eligible to receive for the Class Settlement, to be calculated in
2 accordance with Paragraph 17.

3 t. “LWDA Payment” means the amount of Ninety Thousand Dollars (\$90,000.00),
4 i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA for the PAGA
5 Settlement, as set forth in Paragraph 16.

6 u. “Maximum Settlement Amount” means the amount of One Million Dollars
7 (\$1,000,000.00) to be paid by Defendant in full resolution of all Released Class Claims, Released PAGA
8 Claims, and the Actions provided for under the Class Settlement and PAGA Settlement, which includes
9 all Attorneys’ Fees and Costs to be paid to Class Counsel, Enhancement Payment to be paid to Plaintiff,
10 PAGA Amount to be paid to the LWDA and PAGA Employees, Net Settlement Amount to be paid to the
11 Settlement Class Members, and Settlement Administration Costs to be paid to the Settlement
12 Administrator. The Maximum Settlement Amount may increase to the extent provided in Paragraph 38.
13 The Maximum Settlement Amount does not include Employer Taxes; Employer Taxes will be paid by
14 Defendant, separately and in addition to the Maximum Settlement Amount.

15 v. “Net Settlement Amount” means the Maximum Settlement Amount less the Court-
16 approved Enhancement Payment, Settlement Administration Costs, PAGA Amount, and Attorneys’ Fees
17 and Costs.

18 w. “Objection” means a Class Member’s written objection to the Class Settlement,
19 which must: (a) contain the case name and number of the Class Action; (b) contain the Class Member’s
20 full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c)
21 contain a written statement of all grounds for the objection accompanied by any legal and factual support
22 for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection
23 is based; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked
24 on or before the Response Deadline.

25 x. “Operative Complaints” collectively means the April 2, 2021 complaint filed in the
26 Class Action and the September 13, 2021 complaint filed in the PAGA Action.

27
28 y. “PAGA Amount” means the allocation of One Hundred and Twenty Thousand

Dollars (\$120,000.00) from the Maximum Settlement Amount as civil penalties pursuant to PAGA for the settlement and resolution of the Released PAGA Claims. Seventy-five percent (75%) of the PAGA Amount, or \$90,000.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$30,000.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount).

z. “PAGA Employees” means all current and former non-exempt, hourly-paid employees who were employed by Defendant in California at any time during the PAGA Period.

aa. “PAGA Employee Amount” means the amount of Thirty Thousand Dollars (\$30,000.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their Workweeks during the PAGA Period.

bb. “PAGA Period” means the time period from September 13, 2020 through April 28, 2025.

cc. “PAGA Settlement” means the settlement and resolution of Released PAGA Claims.

dd. “Parties” means Plaintiff and Defendant, collectively, and “Party” means any of the Plaintiff or Defendant.

ee. “Preliminary Approval” means entry of the Court order granting preliminary approval of the Agreement.

ff. “Released Class Claims” means all claims under state, federal, or local law, arising out of the claims expressly pleaded in the Class Action and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Class Action for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d);

(9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200.

gg. "Released PAGA Claims" means all claims for civil penalties under PAGA that were alleged in the PAGA Notice and/or PAGA Action or that reasonably could have been alleged based on the factual allegations in the PAGA Notice and/or PAGA Action, arising during the PAGA Period for violations of the California Labor Code, including *inter alia* sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and applicable Industrial Welfare Commission Wage Orders (including, *inter alia*, Nos. 4-2001 and 5-2001) and for failure to pay all overtime wages due; failure to provide compliant meal periods and associated premiums; failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages timely during employment, failure to pay all wages timely at the time of termination; failure to provide complete, accurate, or properly formatted wage statements; failure to maintain requisite payroll records; and failure to reimburse business expenses.

hh. "Released Parties" means Defendant Building Opportunities for Self-Sufficiency and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members and/or PAGA Employees, as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.

ii. "Request for Exclusion" means a Class Member's written letter indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Class Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

jj. "Response Deadline" means the deadline by which Class Members must submit a Request for Exclusion, Objection, and/or Workweeks Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be

extended to the next day on which the U.S. Postal Service is open; in the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days from the initial Response Deadline.

kk. “Settlement Administrator” means ILYM Group, Inc. or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

ll. “Settlement Administration Costs” means the costs payable from the Maximum Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement, as set forth in Paragraph 15.

mm. “Settlement Class Members” or “Settlement Class” means all Class Members who do not submit a timely and valid Request for Exclusion.

nn. “Workweeks” means the number of weeks each Class Member was employed by Defendant as a non-exempt, hourly paid employee in California during the Class Period. As used herein, Workweeks shall include each seven (7) consecutive days beginning on Sunday and ending on Saturday in which a Class Member was employed for at least a portion of one day during the Class Period by Defendant in California.

oo. “Workweeks Dispute” means a Class Member’s written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks credited to them, which must: (a) contain the case name and number of the Actions; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class Member disputes of the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

CLASS CERTIFICATION

9. For the purposes of this Settlement only, the Parties stipulate to the certification of the

1 Class.

2 10. The Parties agree that certification for the purpose of settlement is not an admission that
3 certification is proper under California Code of Civil Procedure section 382. Should, for whatever
4 reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the
5 Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible
6 in connection with, the issue of whether or not certification would be appropriate as to any of the claims
7 asserted by Plaintiff against Defendant in a non-settlement context. If the Settlement does not become
8 effective for any reason, including a failure to obtain Final Approval, Defendant expressly reserves the
9 right to oppose class certification and reserves all available defenses to the claims in the Actions.

10 **TERMS OF AGREEMENT**

11 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
12 forth herein, the Parties agree, subject to the Court's approval, as follows:

13 11. Potential Case Consolidation. The Class Action and the PAGA Action have been
14 consolidated, with the Class Action designated as the lead case.

15 12. Funding and Disbursement of the Maximum Settlement Amount. Within fifteen (15)
16 calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an
17 accounting estimate of the amounts to be paid by Defendant pursuant to the terms of the Settlement and
18 establish a qualified settlement account for administration of the Settlement. Within one hundred and
19 eighty (180) calendar days after the Final Approval, Defendant will make the first deposit in the amount
20 of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00)
21 if the Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be established
22 by the Settlement Administrator ("Payment 1"). Within twelve (12) months of Final Approval, Defendant
23 will make the second deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two
24 Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains
25 \$1,000,000.00] into the settlement account to be established by the Settlement Administrator ("Payment
26 2"). Within two (2) years of Final Approval, Defendant will make the third deposit in the amount of 25%
27 of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the
28 Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be established by

the Settlement Administrator (“Payment 3”). Within three (3) years of Final Approval, Defendant will make a fourth deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00], plus the Employer Taxes into the settlement account to be established by the Settlement Administrator (“Payment 4”). Within seven (7) calendar days of the funding of the Maximum Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement Class Members; (b) Individual PAGA Payments to PAGA Employees; (c) LWDA Payment to the LWDA; (d) Enhancement Payment to Plaintiff; (e) Attorneys’ Fees and Costs to Class Counsel; and (f) Settlement Administration Costs to itself (the Settlement Administrator). The Settlement Administrator will obtain funds from Defendant that are sufficient for the Employer Taxes that Defendant must fund separately and in addition to the Maximum Settlement Amount. The Settlement Administrator will also undertake filings and remittances in connection with the employee’s share of taxes on the wages portion of Individual Settlement Shares and the Employer Taxes, that are necessary for administration of the Settlement.

13. Attorneys’ Fees and Costs. Class Counsel will request and Defendant will not oppose attorneys’ fees of up to thirty-five percent (35%) of the Maximum Settlement Amount (i.e., up to \$350,000.00 if the Maximum Settlement Amount is \$1,000,000.00) and reimbursement of actual costs and expenses associated with Class Counsel’s litigation and settlement of the Actions, supported by declaration, in an amount not to exceed Thirty Thousand Dollars (\$30,000.00), both of which will be paid from the Maximum Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation and settlement of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court’s approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Attorneys’ Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Any

1 additional expenses for the use of attorney fee deferral vehicles by the Settlement Administrator shall
2 be paid separately by Class Counsel and shall not be included within the Settlement Administration
3 Costs. Defendant and Defendant's Counsel shall not be liable for any expenses associated with the
4 purchase or use of any attorney fee deferral vehicles for Class Counsel by the Settlement Administrator.
5 Any portion of the requested Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of
6 the Net Settlement Amount for the benefit of Settlement Class Members.

7 14. Enhancement Payment. In recognition of her efforts and work in prosecuting the Actions,
8 Defendant agrees not to oppose or impede any application or motion for an Enhancement Payment to
9 Plaintiff in the amount of up to Ten Thousand Dollars (\$10,000.00). The Enhancement Payment, which
10 will be paid from the Maximum Settlement Amount subject to Court approval, will be in addition to any
11 Individual Settlement Payment and Individual PAGA Payment (if applicable) that she is eligible to receive
12 pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for
13 the Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly
14 characterizing this compensation for tax purposes and for paying any and all taxes on the amounts
15 received. Should the Court not approve the Enhancement Payment to Plaintiff, or approve it in an amount
16 that is less than that set forth above, Plaintiff shall not have the right to revoke this Agreement, and it
17 will remain binding, and the difference between the amount approved by the Court (if any) and the
18 amount allocated toward the Enhancement Payment will be part of the Net Settlement Amount for the
19 benefit of Settlement Class Members.

20 15. Settlement Administration Costs. The Settlement Administrator will be paid for the
21 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
22 which is currently estimated not to exceed Twelve Thousand Dollars (\$12,000.00). These costs, which
23 will be paid from the Maximum Settlement Amount subject to Court approval, will include, *inter alia*,
24 printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and
25 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required
26 tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and
27 other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties.
28 To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein,

such excess amount will be deducted from the Maximum Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator, to undertake the requirement settlement administration duties, will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of One Hundred Twenty Thousand Dollars (\$120,000.00) from the Maximum Settlement Amount will be allocated toward civil penalties under PAGA (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$90,000.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$30,000.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on Workweeks during the PAGA Period (i.e., the Individual PAGA Payment).

17. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks during the Class Period, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class Period to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks during the Class Period by the Final Workweek Value to yield his or her Individual Settlement Share.

18. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Workweeks during the PAGA Period as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply each PAGA

Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

19. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or PAGA Employees to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiff, Settlement Class Members, or PAGA Employees to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class Members and PAGA Employees in connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

20. Notice of Proposed PAGA Settlement to LWDA. Pursuant to California Labor Code section 2699(1)(2), Class Counsel will submit a copy of this Agreement to the LWDA at the same time that it is submitted to the Court for preliminary approval.

21. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

22. Notice by First-Class U.S. Mail.

a. Within fourteen (14) calendar days after receiving the Class List from Defendant, the Settlement Administrator will perform a search based on the United States Postal Service's National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English (in the form attached as **Exhibit A** to this Agreement) to all Class Members via U.S. mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. With respect to Class Notices that are returned as undeliverable on or before the Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-

1 trace and re-mail the Class Notice within five (5) calendar days to an alternate address if one is located.

2 c. Dispute Regarding Workweeks. The Class Notice will include the procedure by
3 which a Class Member may dispute the number of Workweeks allocated to him or her by submitting a
4 timely and valid Workweeks Dispute letter. The date of the postmark on the return mailing envelope
5 will be the exclusive means to determine whether a dispute has been timely submitted. Absent evidence
6 rebutting the accuracy of Defendant's records and data as they pertain to the number of Workweeks to
7 be credited to a disputing Class Member, Defendant's records will be presumed correct and
8 determinative of the dispute. The Settlement Administrator will evaluate the Workweeks Dispute letter
9 submitted by the Class Member and the Settlement Administrator will resolve and determine the number
10 of Workweeks that the disputing Class Member should be credited with under the Settlement. The
11 Settlement Administrator's decision on such disputes will be final and non-appealable.

12 23. Settlement Checks.

13 a. The Settlement Administrator will be responsible for undertaking appropriate
14 deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to
15 the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA
16 Employees in accordance with this Agreement. When issuing payments, the Settlement Administrator
17 may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the
18 intended recipient for both payments is one individual.

19 b. The Settlement Administrator shall remit and report the applicable portions of the
20 payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this
21 Agreement. Defendant agrees to reasonably cooperate with the Settlement Administrator to the extent
22 necessary to determine the amount of the payroll tax payment required

23 c. Each Individual Settlement Payment check and Individual PAGA Payment check
24 will be valid and negotiable for one hundred and eighty (180) calendar days from the date of original
25 issuance, and thereafter, shall be canceled. All funds remaining in connection with, and after the
26 cancelation of checks issued to Settlement Class Members and PAGA Employees, shall be paid to St.
27 Jude's Children's Research Hospital ("Proposed *Cy Pres* Recipient"). The Parties and their counsel do
28 not have any interests in the Proposed *Cy Pres* Recipient or involvement within the governance or work

1 of the Proposed *Cy Pres* Recipient.

2 d. The Settlement Administrator shall undertake amended and/or supplemental tax
3 filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated
4 due to the cancelation of any Individual Settlement Payment or Individual PAGA Payment checks.
5 Settlement Class Members whose Individual Settlement Payment checks are canceled shall,
6 nevertheless, be bound by this Agreement and the Final Approval will have claim preclusive impact
7 with respect to them and all Settlement Class Members with respect to the Class Settlement. The Final
8 Approval Order and Judgment will have claim preclusive impact on the PAGA Employees with respect
9 to the PAGA Settlement irrespective of whether their Individual PAGA Payment checks are canceled.

10 24. Procedures for Requesting Exclusion from the Class Settlement. Any Class Member
11 wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion
12 to the Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark
13 on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion
14 has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and
15 Defendant's Counsel, the number of timely and valid Requests for Exclusion that were submitted, and
16 also identify the individuals who submitted them, in a declaration that is to be filed with the Court in
17 advance of the Final Approval Hearing. Any Class Member who submits a timely and valid Request
18 for Exclusion is prohibited from making any Objection to the Class Settlement. Any Class Member
19 who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and
20 will not be issued an Individual Settlement Payment. All PAGA Employees will be bound by the PAGA
21 Settlement and will be issued an Individual PAGA Payment, irrespective of whether they submit a
22 Request for Exclusion.

23 25. Procedures for Objecting to the Class Settlement. Class Members who have not
24 submitted a Request for Exclusion from the Class Settlement (i.e., Settlement Class Members) may
25 object to the Class Settlement. To object to the Class Settlement, Settlement Class Members must
26 submit a timely and complete Objection to the Settlement Administrator, by mail, on or before the
27 Response Deadline. The Objection must be signed by the Settlement Class Member and contain all
28 information required by Section 8w. of this Agreement. The postmark date will be deemed the exclusive

means for determining that the Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members or Settlement Class Members to object to the Settlement Agreement. Settlement Class Members may also present their objection orally at the Final Approval Hearing, irrespective of whether they submit a written Objection. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the Objections that were timely submitted, and also attach them as exhibits to a declaration that is to be filed with the Court in advance of the Final Approval Hearing.

26. Reports by the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted Workweeks Disputes; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion; (c) the number of Settlement Class Members who have submitted timely and complete Objections; (d) the number of undeliverable Class Notices; and (e) the number of re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Agreement as needed or requested, and immediately notify the Parties when it receives a request from an individual regarding inclusion in the Class and/or Settlement.

27. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

28. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: ten percent (10%) wages and ninety percent (90%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). Each Individual PAGA Payment will be allocated as one hundred percent (100%)

penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator.

29. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

30. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Agreement, the Class Notice, or any other communications to Class Members, Settlement Class Members or PAGA Employees regarding the Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement, the Class Notice, or any other communication regarding the Settlement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Employees understand and agree that they will be solely responsible for correctly characterizing any compensation received by them under the Settlement on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

31. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY

1 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER
2 PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING
3 PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY
4 LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR
5 ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
6 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
7 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
8 TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

9 32. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
10 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
11 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
12 of action or right herein released and discharged.

13 33. Releases of Claims.

14 a. Class Settlement Release. Upon the Effective Date and full funding of the
15 Maximum Settlement Amount, Plaintiff and all Class Members who do not submit a timely and valid
16 Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever
17 released, settled, compromised, relinquished, and discharged the Released Parties of and from all
18 Released Class Claims for the Class Period.

19 b. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
20 purposes of Plaintiff's release only, Plaintiff expressly waives and relinquishes the provisions, rights, and
21 benefits, if any, of section 1542 of the California Civil Code, which reads: "A GENERAL RELEASE
22 DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT
23 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
24 RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED
25 HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY." Plaintiff understands
26 and agrees that claims or facts in addition to or different from those which are now known or believed by
27 them to exist may hereafter be discovered. It is Plaintiff's intention to settle fully and release all claims
28 she now has against the Released Parties, whether known or unknown, suspected or unsuspected.

Plaintiff's Individual Settlement Payment, Plaintiff's Individual PAGA Payment, and Plaintiff's Enhancement Payment will be paid to Plaintiff specifically in exchange for the general release of the Released Parties from all claims, including those specified in this paragraph and a covenant not to sue the Released Parties. Notwithstanding the foregoing language or any other paragraph or provision of this Agreement, Plaintiff does not release any claims against Defendant or the Released Parties regarding employment discrimination, harassment, retaliation, or wrongful termination, or any damages, penalties, or other form of recovery or remedy related to those claims.

34. PAGA Settlement Release. Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff on behalf of the LWDA and the State of California will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released PAGA Claims for the PAGA Period. The express purpose of this Settlement is to forever bar Plaintiff, the LWDA, the State of California, and any PAGA Employees from acting on behalf of or purporting to act on behalf of the LWDA to assert any of the Released PAGA Claims against the Released Parties in any future litigation.

35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Upon execution of this Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's motion for preliminary approval of the Settlement, and submit this Agreement to the Court in support of said motion. Defendant agrees not to oppose the motion for preliminary approval of the Settlement consistent with this Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing to the Class by U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and

g. Scheduling a Final Approval Hearing at which the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate.

36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a hearing will be conducted on Plaintiff's motion for final approval of the Settlement (i.e., the Final Approval Hearing), to determine whether Final Approval should be granted, along with the amounts properly payable for Individual Settlement Payments, Individual PAGA Payments, LWDA Payment, Attorneys' Fees and Costs, Enhancement Payment, and Settlement Administration Costs. By way of said motion, Plaintiff will apply for the entry of the mutually-agreed-upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;

b. Certification of the Settlement Class;

c. Appointment of Plaintiff as representative of the Settlement Class;

d. Appointment of Class Counsel as counsel for the Settlement Class;

e. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

f. Approval of the application for Enhancement Payment to Plaintiff;

g. Directing Defendant to fund all amounts due under the Agreement and ordered by the Court; and

h. Entering judgment in these Actions, while maintaining continuing jurisdiction to implement the Settlement, in conformity with California Rules of Court 3.769 and the Agreement.

37. Effects of Termination of the Settlement. In the event that the Agreement is not approved by the Court, such a development shall have the following effects:

a. The Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Actions prior to the execution of the Agreement;

b. Neither this Agreement, nor any ancillary documents, actions, statements, or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be offered into

evidence in the Actions or any other action for any purpose whatsoever; and

c. Any documents generated to bring the Settlement into effect, will be null and void, and any order entered by the Court in furtherance of this Agreement will likewise be treated as void from the beginning.

38. Escalator Clause. Defendant estimates that, during the period from April 2, 2017 through November 5, 2024, there were 49,226 Workweeks for the Class Members. If it is determined that the total number of Workweeks exceed 49,226 by more than ten percent (10%) (i.e. exceeds 54,149) during the Class Period, then Defendant shall, in its sole discretion, have the option to either: (1) de-escalate the Settlement so that the Class Period ends on the date that the Workweek count totals an amount 10% higher than 49,226, i.e., 54,149, or (2) permit the Maximum Settlement Amount to be increased proportionally by the Workweeks in excess of 10% higher than 49,226, i.e., 54,149, multiplied by the Workweek value, which is calculated at \$20.31 (the \$1.0 million Maximum Settlement Amount divided by 49,226 Workweeks). If Defendant elects the former option (to de-escalate), it must do so prior to the Class Notice being mailed so that the Parties and the Settlement Administrator may update the Class Notice to reflect any such updated information prior to the mailing of the Class Notice. Class Notice will not be mailed until after the Settlement Administrator has determined whether the escalator clause has been triggered, and, if triggered, provided Defendant with the calculations necessary for Defendant to make its election under the escalator clause, and, thereafter, Defendant has made its election.

39. Continuing Jurisdiction. After entry of judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Agreement.

40. Exhibits Incorporated by Reference. The exhibits to this Agreement are an integral part of the Agreement.

41. Limitation on Publicity. Plaintiff and Class Counsel agree not to issue press releases and engage in any publicity regarding the Settlement, except as shall be contractually required to effectuate the terms of the Settlement and respond to inquiries received from Class Members and PAGA

1 Employees. However, for the limited purpose of allowing Class Counsel to prove their experience and
2 adequacy as class counsel in other actions, Class Counsel may reference the Settlement in the Actions
3 for such purposes. Furthermore, Plaintiff and Class Counsel will undertake any and all disclosures and
4 submissions required to be made to the LWDA in conformity with PAGA.

5 42. Entire Agreement. This Agreement and any attached exhibits constitute the entirety of
6 the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be
7 deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and
8 California Code of Civil Procedure section 1856(a), and any other provisions of state or federal law,
9 which provide that a written agreement is to be construed according to its terms and may not be varied
10 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
11 representations or terms will modify, vary, or contradict the terms of this Agreement. This Agreement
12 contains the entire agreement between the Parties relating to the Settlement.

13 43. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
14 Actions (including, and not limited to, the deadline to bring the Actions to trial under California Code
15 of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the
16 Agreement, pending the Final Approval Hearing to be conducted by the Court and issuance of the Final
17 Approval Order and Judgment.

18 44. Amendment and Waiver. The Parties may not waive, amend, or modify any provision of
19 this Agreement except by written agreement signed by all Parties or their authorized representatives,
20 such as a designed signatory for Defendant. A waiver or amendment of any provision of this Settlement
21 Agreement will not constitute a waiver of any other provision.

22 45. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
23 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement
24 and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this
25 Agreement to effectuate its terms and to execute any other documents required to effectuate the terms
26 of this Agreement. The person signing this Agreement on behalf of Defendant represents and warrants
27 that he/she is authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and
28 warrants that she is authorized to sign this Agreement and that she has not assigned any claim, or part

of a claim, covered by this Settlement to a third-party.

46. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Settlement Class Member execute this Agreement. The Class Notice will advise all Class Members of the binding nature of the Class as to the Settlement Class Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

47. Binding on Successors and Assigns. This Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

48. California Law Governs. All terms of this Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

49. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

50. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Actions, Released Class Claims, and Released PAGA Claims, and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

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

52. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts to finalize the Settlement, and to use any other efforts that may be necessary by order of the Court, or otherwise, to effectuate the Settlement.

53. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute

1 that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In
2 entering into this Agreement, Defendant does not admit, and specifically denies, that it has violated any
3 state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute
4 or any other applicable laws, regulations, or legal requirements; breached any contract; violated or
5 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
6 conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor
7 any of the negotiations connected with it, shall be construed as an admission or concession by Defendant
8 of any such violations or failures to comply with any applicable law. Except as necessary in a
9 proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall
10 not be offered as evidence in any action or proceeding to establish any liability or admission on the part
11 of Defendant or to establish the existence of any condition constituting a violation of, or a non-
12 compliance with state, federal, local, or other applicable law.

13 54. Captions. The captions and paragraph headings in this Agreement are inserted for the
14 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
15 provisions of this Agreement and do not constitute a part of the Agreement.

16 55. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
17 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
18 one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of
19 the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all
20 Parties have contributed equally to the preparation of this Agreement.

21 56. Representation by Counsel. The Parties acknowledge that they have been represented by
22 counsel throughout all negotiations that preceded the execution of this Agreement, and that this
23 Agreement has been executed with the consent and advice of counsel, and reviewed in full by the Parties
24 with the assistance of their respective counsel.

1 57. Notices. All notices, demands, and other communications to be provided concerning this
2 Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such
3 other addresses as either Party may designate in writing from time to time:

4 To Plaintiff and Class Counsel:

5 Arby Aiwazian, Esq.
6 Joanna Ghosh, Esq.
7 Daniel Bass, Esq.
8 **LAWYERS for JUSTICE, PC**
9 450 North Brand Blvd., Suite 900
10 Glendale, California 91203

4 To Defendant:

5 Kathleen Carter, Esq.
6 Jeffrey R. Gillette, Esq.
7 **MESSNER REEES LLP**
8 611 Anton Blvd., Suite 450
9 Costa Mesa, California 92626

9 58. Final Approval Order and Judgment. The Parties shall provide the Settlement
10 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
11 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
12 sixty (60) calendar days, and this shall satisfy California Rules of Court 3.771(b). No individualized
13 notice of the Final Approval Order and Judgment to the Class will be required.

14 59. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
15 cooperate with each other in good faith and use their best efforts to implement the Settlement, including
16 and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of
17 this Agreement. If the Parties are unable to reach agreement on the form or content of any document
18 needed to implement the Agreement, or on any modification of the Agreement that may become
19 necessary to implement the Agreement, the Parties may seek the assistance of the mediator Steven
20 Rottman.

21 60. Defendant's Right to Withdraw. If the number of valid Requests for Exclusion exceeds
22 10% of the total of all Class Members, Defendant may, but is not obligated to, withdraw from the
23 Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have
24 no force or effect whatsoever, and that neither Party will have any further obligation to perform under
25 this Agreement; provided, however, Defendant will remain responsible for paying all Settlement
26 Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its
27 election to withdraw not later than seven days after the Settlement Administrator submits to Defendant's
28 Counsel its declaration identifying the total number of valid Requests for Exclusion.

1 61. Use and Return of Class Data. Information provided to Class Counsel pursuant to
2 Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by
3 Defendant in connection with the mediation, other settlement negotiations, or in connection with the
4 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used
5 in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90
6 days after the date when the Court discharges the Settlement Administrator's obligation to provide a
7 declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and
8 electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the
9 Settlement Administrator's obligation, Defendant makes a written request to Class Counsel for the
10 return, rather than the destructions, of Class Data.

11 62. Entire Agreement. This Agreement and any attached exhibits constitute the entire
12 Agreement among these Parties, and no oral or written representations, warranties or inducements have
13 been made to any Party concerning this Agreement or its exhibit other than the representations,
14 warranties and covenants contained and memorialized in this Agreement and its exhibits.

15 63. Severability. In the event that any one or more of the provisions contained in this
16 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
17 illegality, or unenforceability shall in no way effect any other provision if Defendant's Counsel and
18 Class Counsel, on behalf of the Parties, the Class Members, the Settlement Class Members, the State of
19 California, and PAGA Employees, mutually elect in writing to proceed as if such invalid, illegal, or
20 unenforceable provision had never been included in this Agreement.

21 64. Stay of Litigation. The Parties agree that upon the execution of this Agreement, the
22 Actions shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon
23 the signing of this Agreement, pursuant to Code of Civil Procedure § 583.330, to extend the date to
24 bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement
25 process for the Actions.

26 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
27 Stipulation of Class and PAGA Settlement and Release between Plaintiff and Defendant:

28 **IT IS SO AGREED.**

PLAINTIFF JACQUELINE JONES

Dated: 05/05/2026, 2026

Electronically Signed 2026-05-06 00:01:04 UTC - 99.95.229.94
Nintex AssureSign® Jacqueline Jones
f0ce823f-b34f-4b47-a5a5-b44101776c70

Jacqueline Jones, Plaintiff

**DEFENDANT BUILDING OPPORTUNITIES FOR
SELF-SUFFICIENCY**

Dated: _____, 2026

Full Name:

Title:

On behalf of Building Opportunities for Self-Sufficiency

APPROVED AS TO FORM:

LAWYERS for JUSTICE, PC

Dated: May 5, 2026



Arby Aiwanian

Joanna Ghosh

Daniel Bass

Attorneys for Plaintiff and Proposed Class Counsel

MESSNER REEVES LLP

Dated: _____, 2026

Kathleen Carter

Jeffrey Gillette

Attorneys for Defendant

PLAINTIFF JACQUELINE JONES

Dated: _____, 2026

Jacqueline Jones, Plaintiff

**DEFENDANT BUILDING OPPORTUNITIES FOR
SELF-SUFFICIENCY**

Dated: May 8, 2026

Donald Frazier

Full Name: Donald Frazier

Title: Chief Executive Officer

On behalf of Building Opportunities for Self-Sufficiency

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

Dated: _____, 2026

Arby Aiwanian

Joanna Ghosh

Daniel Bass

Attorneys for Plaintiff and Proposed Class Counsel

MESSNER REEVES LLP

Dated: May 13, 2026

Jeffrey K. Gillette

Kathleen Carter

Jeffrey Gillette

Attorneys for Defendant

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE (“Class Notice”)

Jacqueline Jones v. Building Opportunities for Self-Sufficiency

Superior Court of California for the County of Alameda (“Court”), Case Nos. RG21094560 and RG21112649

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant’s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the class action settlement, object to the class action settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Plaintiff Jacqueline Jones (“Plaintiff”) and Defendant Building Opportunities for Self-Sufficiency (“Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”) in the consolidated cases entitled *Jacqueline Jones v. Building Opportunities for Self-Sufficiency*, Alameda County Superior Court, Case Nos. RG21094560 and RG21112649 (“Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member(s)**” means all current and former non-exempt, hourly-paid employees who were employed by Defendant in California at any time during the Class Period.

“**Class Period**” means the time period from April 2, 2017 through April 28, 2025.

“**Class Settlement**” means the settlement and resolution of Released Class Claims (described in Section **III.D** below).

“**PAGA Employees**” means all current and former non-exempt, hourly-paid employees who were employed by Defendant in California at any time during the PAGA Period.

“**PAGA Settlement**” means the settlement and resolution of Released PAGA Claims (described in Section **III.D** below).

“**PAGA Period**” means the time period from September 13, 2020 through April 28, 2025.

II. BACKGROUND OF THE ACTIONS

On April 2, 2021, Plaintiff filed a “Class Action Complaint for Damages” in the Alameda County Superior Court, Case No. RG21094560 (“Class Action”). On July 7, 2021, Plaintiff provided written notice to the Labor and Workforce Development Agency (“LWDA”) and Defendant of her intent to pursue civil penalties for alleged violations of the California Labor Code (“LWDA Letter”). On September 13, 2021, Plaintiff filed a separate “Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq.” in the Alameda County Superior Court, Case No. RG21112649 (“PAGA Action”). On February 3, 2026, the Court consolidated the Actions and deemed the Class Action as the lead case.

Plaintiff alleges in the actions that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide compliant wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code section 2698, *et seq.* (“PAGA”). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendant denies all of the allegations in the Actions or that it violated any law.

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the “Joint Stipulation of Class Action and PAGA Settlement and Release” (“Agreement,” “Settlement,” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed **ILYM Group, Inc.** as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Jacqueline Jones as representative of the Class (“Class Representative”), and the following counsel as counsel for the Class (“Class Counsel”):

Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Daniel Bass, Esq.
Lawyers for Justice, PC
450 North Brand Blvd, Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members and PAGA Employees. The Court has made no ruling on the merits of the claims asserted in the Actions and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount to be paid by Defendant is \$1,000,000.00 (the “Maximum Settlement Amount”). The portion of the Maximum Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Maximum Settlement Amount, less the following payments which are subject to approval by the Court: (1) attorneys’ fees in an amount up to 35% of the Maximum Settlement Amount (i.e., \$350,000.00 if the Maximum Settlement Amount remains \$1,000,000.00) and reimbursement of litigation costs and expenses in an amount up to \$30,000.00 (“Attorneys’ Fees and Costs”) to Class Counsel; (2) Enhancement Payment in an amount up to \$10,000.00 to Plaintiff; (3) Administration Costs in an amount up to \$12,000.00 to the Settlement Administrator; and (4) the amount of \$120,000.00 allocated toward civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* (“PAGA Amount”). The PAGA Amount will be distributed 75% (\$90,000.00) to the LWDA (“LWDA Payment”) and the remaining 25% (i.e., \$30,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”).

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share” or “Individual Settlement Payment”) based on the number of weeks each Class Member was employed by Defendant as a non-exempt, hourly paid employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks during the Class Period by the Estimated Workweek Value to arrive at each Class Member’s Individual Settlement Share that he or she may be eligible to receive under the Class Settlement (which is listed in **Section III.C** below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued payment of their final Individual Settlement Share, less applicable taxes.

Each Individual Settlement Share will be allocated as 10% wages, which will be reported on an IRS Form W-2, and 90% penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099. Each Individual Settlement Share shall be subject to reduction for the employee’s share of payroll taxes due on the wages portion of Individual Settlement Share. The employer’s share of payroll taxes in connection with the wages portion of the Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Settlement (“Individual PAGA Payment”), based on the number of Workweeks of each PAGA Employee during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has [divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA Employees during the PAGA Period to yield the “PAGA Workweek Value,” and multiplied each PAGA Employee’s individual Workweeks during the PAGA Period by the PAGA Workweek Value to arrive at each PAGA Employee’s Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in **Section III.C** below).

Each Individual PAGA Payment will be allocated as 100% penalties, which will be reported on an IRS Form 1099 (if

applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must contact the Settlement Administrator as soon as possible and provide your corrected and/or updated mailing address to the Settlement Administrator; this will make it more likely that you will receive any payments or other notices that may be issued to you.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

From April 2, 2017 through April 28, 2025 (i.e., Class Period), you are credited with <<____>> Workweeks.

From [September 13, 2020 through April 28, 2025 (i.e., PAGA Period), you are credited with <<____>> Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit a written dispute ("Workweeks Dispute") that: (a) contains the case name and number of the Actions *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* Superior Court of California for the County of Alameda, Case Nos. RG21094560 and RG21112649; (b) contains your full name, signature, address, telephone number, and last four digits of your Social Security number; (c) contain a clear statement that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (d) attach any documentation that you have supporting the dispute and (e) be submitted by mail to the Settlement Administrator by mail at the specified address listed in **Section V.B** below, postmarked **no later than [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment is based on the number of Workweeks credited to you. Under the terms of the Settlement:

Your Individual Settlement Share is estimated to be \$<<____>>. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

Your Individual PAGA Payment is estimated to be \$<<____>>.

Payments under the Settlement will only be distributed if the Court approves the Settlement and the Settlement goes into effect after the Defendant fully funds the Settlement through the payment schedule as explained in **Section IV** below. The Settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released Class Claims for the Class Period.

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff on behalf of the LWDA and the State of California will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all Released PAGA Claims for the PAGA Period.

"Released Class Claims" means all claims under state, federal, or local law, arising out of the claims expressly pleaded in the Class Action and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been asserted based on the facts pleaded in the Class Action for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200.

“Released PAGA Claims” means all claims for civil penalties under PAGA that were alleged in the LWDA Letter and/or PAGA Action or that reasonably could have been alleged based on the factual allegations in the LWDA Letter and/or PAGA Action, arising during the PAGA Period for violations of the California Labor Code, including *inter alia* sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and applicable Industrial Welfare Commission Wage Orders (including, *inter alia*, Nos. 4-2001 and 5-2001) for failure to pay all overtime wages due; failure to provide compliant meal periods and associated premiums; failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages timely during employment, failure to pay all wages timely at the time of termination; failure to provide complete, accurate, or properly formatted wage statements; failure to maintain requisite payroll records; and failure to reimburse business expenses.

“Released Parties” means Defendant Building Opportunities for Self-Sufficiency and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members and/or PAGA Employees, as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty five percent (35%) of the Maximum Settlement Amount (i.e., an amount of up to \$350,00.00 if the Maximum Settlement Amount is \$1,000,000.00) and reimbursement of litigation costs and expenses in an amount of up to Thirty Thousand Dollars (\$30,000.00) (“Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiff, individually and on behalf of the State of California as well as Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars (\$10,000.00) (“Enhancement Payment”), in recognition of her services in connection with the Actions and her broader individual release and waiver of claims. The Enhancement Payment will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to any Individual Settlement Payment and/or Individual PAGA Payment that Plaintiff may be entitled to under the Settlement.

G. Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twelve Thousand Dollars (\$12,000.00) (“Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, written objections to the Class Settlement, and Workweeks Disputes, calculating and distributing payments, and preparing and issuing tax forms, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

IV. WHEN WILL SETTLEMENT PAYMENT BE DISTRIBUTED?

Barring unforeseen circumstances, if the Court grants final approval of the Settlement, Defendant is expected to fund the Maximum Settlement Amount and fund the amounts necessary to fully pay their Employer Taxes within three (3) years of final approval, through four (4) installment payments, and distributions of Individual Settlement Payments to Settlement Class Members and Individual PAGA Payments to PAGA Employees are expected to occur no within seven (7) calendar days after the funding of the Maximum Settlement Amount.

Defendant will fund the Maximum Settlement Amount by way of four (4) installment payments. Within thirty (30) calendar days after the final approval, Defendant will make the first deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be established by the Settlement Administrator (“Payment 1”). Within twelve (12) months of final approval, Defendant will make the second deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be established by the Settlement Administrator (“Payment 2”). Within two (2) years of final approval, Defendant will make the third deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00] into the settlement account to be established by the Settlement Administrator (“Payment 3”). Within three (3) years of final approval, Defendant will make a fourth deposit in the amount of 25% of the Maximum Settlement Amount [i.e. Two Hundred and Fifty Thousand Dollars (\$250,000.00) if the Maximum Settlement Amount remains \$1,000,000.00], plus the Employer Taxes into the settlement account to be established by the Settlement Administrator (“Payment 4”).

“Effective Date” means means the date when all of the following events have occurred: (1) the Settlement Agreement has

been executed by all Parties, Class Counsel, and Defendant's counsel; (2) the Court has granted preliminary approval; (3) the Class Notice has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court has held a Final Approval Hearing and entered final approval; and (5) the later of the following events: five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court's final approval has elapsed without any appeal, writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other appellate proceeding opposing the Court's final approval has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Settlement has been finally and conclusively dismissed with no right to pursue further remedies or relief.

V. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in **Section III.D above.**

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in **Section III.D above.**

Class Members and PAGA Employees will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless they retain their own counsel, in which event they will be responsible for their own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request ("Request for Exclusion"), which must: (a) contain the case name and number of the Actions *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* Superior Court of California for the County of Alameda, Case Nos. RG21094560 and RG21112649; (b) contains your full name, signature, address, telephone number, and last four digits of your Social Security number; (3) contain a clear written statement that you request to be excluded from the Class Settlement; and (4) be submitted by mail to the Settlement Administrator, postmarked by **no later than [Response Deadline]** at the following address:

[Settlement Administrator]

[Address]

If the Court grants final approval of the Settlement, any Class Member who submits a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of Released Class Claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion from the Class Settlement.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection to the Settlement Administrator. Alternatively, or in addition, you can present your objection orally at the Final Approval Hearing.

An objection must: a) contains the case name and number of the Actions *Jacqueline Jones v. Building Opportunities for Self-Sufficiency* Superior Court of California for the County of Alameda, Case Nos. RG21094560 and RG21112649; (b) contains your full name, signature, address, telephone number, and last four digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

VI. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 21 of the Alameda Superior Court, located at 1225 Fallon Street, Oakland, California 94612, on <<date>>, at <<time>>, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You may appear for the Final Approval Hearing in person or you may appear remotely. Please visit the Court's website for the most-up to-date information regarding how to appear remotely: <https://www.alameda.courts.ca.gov/>

Please visit the Court's website for the most up-to-date information regarding the operations of the Court and any requirements that may apply for accessing Court facilities: <https://www.alameda.courts.ca.gov/>.

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Actions for a fee by visiting the public terminals at the Civil Division, located at the René C. Davidson Courthouse, 1225 Fallon Street, Oakland, California 94612, during business hours, or by online by visiting the following website: <https://eportal.alameda.courts.ca.gov/?q=Home>

The pleadings and other records in the Actions may be examined online on the Alameda County Superior Court's website, known as "eCourt Public Portal," at <https://eportal.alameda.courts.ca.gov>

After arriving at the website, click the "Searches" tab at the top of the page, then select the Document Downloads link. At this point you will be prompted to create your own account. Once created, enter the case number RG21094560 for the Class Action and click "Submit." Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings

If the Court grants final approval of the Settlement, the Settlement Administrator will post the Court's order granting final approval of the Settlement and judgment on its website: [Settlement Administrator Website].

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT B

LAWYERS FOR JUSTICE

July 7, 2021

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: BUILDING OPPORTUNITIES FOR SELF-SUFFICIENCY

Dear Representative:

We have been retained to represent Jacqueline Jones against Building Opportunities for Self-Sufficiency (including any and all affiliates, subsidiaries, parents, directors, officers, and employees) (collectively referred to as "Building Opportunities for Self-Sufficiency") for violations of California wage-and-hour laws. Ms. Jones seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Jones seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Building Opportunities for Self-Sufficiency employed Ms. Jones as an hourly-paid, non-exempt employee from approximately July 2017 to approximately September 2020, in the State of California.

The "aggrieved employees" that Ms. Jones may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Building Opportunities for Self-Sufficiency has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

Building Opportunities for Self-Sufficiency required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, work related inquiries. Building Opportunities for Self-Sufficiency rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Building Opportunities for Self-Sufficiency over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Jones and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Jones and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Building Opportunities for Self-Sufficiency required Ms. Jones and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Building Opportunities for Self-Sufficiency also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Building Opportunities for Self-Sufficiency did not provide Ms. Jones and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Building Opportunities for Self-Sufficiency were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Jones and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Jones and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Jones and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Jones and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Jones and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Building Opportunities for Self-Sufficiency failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Jones and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Building Opportunities for Self-Sufficiency did not provide Ms. Jones and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor

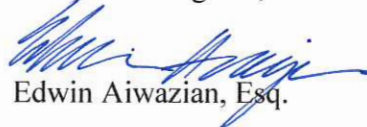
more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Jones and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Building Opportunities for Self-Sufficiency failed to pay Ms. Jones and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Jones and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Jones and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Building Opportunities for Self-Sufficiency. These costs include, but are not limited to, the use of personal phones for business-related purposes and the purchase of business-related supplies.

Therefore, on behalf of all aggrieved employees, Ms. Jones seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Edwin Aiwanian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

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