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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

REYNA SANCHEZ NAVA, individually and on behalf of others similarly situated, and as an aggrieved employee and Private Attorney General, Plaintiff, vs. S & S COASTAL FOODS, LLC, a Delaware Limited Liability Company; SAMIR ABRAHAM aka SAM ABRAHAM, an individual; SUHAD ABRAHAM aka SUE PRESTON, an individual; and DOES 1 through 50, inclusive, Defendants.	Case No. 21STCV34779 *Assigned for All Purposes to: Hon. Lia Martin, Dept. 3* **AMENDED DECLARATION OF HEATHER M. DAVIS IN SUPPORT OF AMENDED MOTION FOR PRELIMINARY APPROVAL OF CLASS, COLLECTIVE, AND REPRESENTATIVE SETTLEMENT AGREEMENT AND CLASS NOTICE** Hearing Date: September 24, 2024 Hearing Time: 8:30 A.M. Department: 3 Reservation ID: 151343951236 Complaint Filed: September 21, 2021 Trial Date: None Set

AMENDED DECLARATION OF HEATHER M. DAVIS

I, Heather M. Davis, declare as follows:

1. I am an attorney duly admitted to the Bar of the State of California and all United States District Courts in the State of California. I am a Partner with Protection Law Group, LLP, counsel of record for Plaintiff REYNA SANCHEZ NAVA ("Plaintiff"). I have personal knowledge of the facts stated herein and if called as a witness I could and would competently testify thereto.

CLASS COUNSEL'S BACKGROUND AND EXPERIENCE

2. I am a duly licensed attorney and have been a member of the Colorado State Bar since 1998, the California State Bar since 2005, and the Arizona State Bar since 2007. I graduated from the University of Denver School of Law in 1998, and I am licensed to practice before all courts of the State of California and Colorado as well as the State of Arizona and District Courts throughout the country.

3. Prior to opening my law firm, I developed particular experience in the area of wage and hour litigation. For instance, between 2007 and 2013, I joined the law firm of Littler Mendelson, P.C., the largest labor and employment law firm in the United States.

4. During my employment with Littler Mendelson, P.C., I continued my practice of employment law and was responsible for and defended dozens of complex class actions, including some of the largest representative and class actions brought under the California Labor Code, including meal and rest break violations, overtime, minimum wage claims, off-the-clock work and other related wage claims. My practice included the management of dozens of class actions. My management of these cases included taking and defending hundreds of depositions and interviews of hundreds of putative class members, as well as extensive state, federal and appellate briefing on hundreds of wage and hour issues involving class actions.

5. During my employment at Littler Mendelson, I played a significant role in the class actions for which I was responsible. In particular, I was often in charge of leading the strategy of the cases and drafting all of the briefs. I received a wide-array of wage and hour class action

experience performing the following types of tasks: drafting demurrers; motions to strike and/or dismiss; removing actions from state court to federal court; drafting and responding to written discovery; drafting and opposing discovery related motions; arguing discovery related motions; drafting motions to consolidate related matters; interviewing putative class members and obtaining declarations in connection with class certification; drafting oppositions to motions for class certification; drafting motions for decertification following class certification; conducting exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification and potential damages resulting from such claims; drafting mediation briefs; serving as the primary contact to in-house counsel; deposing plaintiffs and putative class members; deposing retained expert witnesses; and defending the depositions of corporate witnesses. In short, I played an integral role in all aspects of litigation from the inception of a matter through and beyond class certification.

6. During my practice in other jurisdictions and continuing today, I have been primarily devoted to working in employment law and on complex class action and representative litigation and multi-plaintiff work.

7. Protection Law Group, LLP is a law firm specifically devoted to the representation of employees against employers in California involving claims relating to violations of the California Labor Code, including claims for failure to pay all wages owed, failure to pay overtime premiums, failure to pay meal and rest premiums and failure to provide accurate wage records. The practice of employment law is a very specific, narrow field which requires diligence in an ever-evolving field of substantive and procedural law.

8. Although not exhaustive, below is a representative list of several of the wage and hour class actions that I performed substantial work on while I was an attorney with Littler Mendelson, including, but not limited to: *Villacres v. ABM Industries, Inc.*, 189 Cal.App.4th 562 (2010); *Brizuela v. Copart, Inc.*, CIVRS11101592, (San Bernardino Superior Court class action settlement); *Augustus v. ABM Industries, Inc.*, BC336416, 2 Cal. 5th 257 (2016); Tagaki v. United Airlines, 2:11-CV9191 (Central District class action settlement); *Babasa v. Comerica, Inc.*, 3:11-

CV00595; *Leyva v. Medline Industries, Inc*. 5:11-cv-00164 (Central District); *Blue v. Coldwell Banker Residential Brokerage Co.*, BC417335, (Los Angeles Superior Court, class action settlement); and *Acosta v. Texwood Industries, Inc*., 2:07-cv-03237-DDP-PLA (Central District class action settlement).

9. Since opening my firm, I have served as lead counsel or co-class counsel in several wage and hour class and/or representative actions seeking wages and penalties owed on behalf of employees for which final approval of the settlement or class certification has been granted, including, but not limited to the following:

- *Holzer v. Wedbush Securities, Inc*., BC550462 (Los Angeles Superior Court wage and hour class action certifying class of independent contractors and appointing Protection Law Group, LLP as class counsel);
- *White v. Windy Pizza Plus, LLC*, BC593377 (Los Angeles Superior Court wage and hour class action certifying class of all non-exempt employees and appointing Protection Law Group, LLP as class counsel);
- *Morera v. Continental Asset Mgmt*., BC502003 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Fong et al. v. Regis Corporation*, 3:13-cv-13-04497 VC, (United States District Court, Northern District of California, wage and hour class action settlement and appointment Protection Law Group, LLP as class counsel in settlement);
- *Espinoza v. Financial Partners Credit Union*, BC502165 (Los Angeles Superior Court wage and hour Class Action appointing Protection Law Group, LLP as class counsel in settlement);
- *Kesheshian, et al v. S. Cal. Logistics*, BC557981 (Los Angeles Superior Court wage and hour class action appointing Protection law Group, LLP as class counsel in settlement);
- *Sampson v. 24 HR Homecare* LLC, BC586019 (Los Angeles County Superior

Court wage and hour class action);

- *Glenn v. Decron Properties Corp*., BCC 578035 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Torres v. Auto Rescue et al.*, RIC1509900 (Riverside County Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Kashanian v. Plus Labs, Inc.*, 2016-1-CV-294231 (Santa Clara County Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Cadena v. Tetra Property Management*, 257425 (Tulare County Superior Court wage and hour class action appointing Protection law Group, LLP as class counsel in settlement);
- *Drayton v. Hollywood Park Casino*, BC593935 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Khan v. FPI Management, Inc.*, JCCP4819 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Byrd v. Masonite Corp.*, 5:16-cv-00035-JGBKK (United States District Court, Central District of California appointing Protection Law Group, LLP as class counsel in settlement);
- *Hadrick v. Woodmont Real Estate Serv., et al.*, CIV 530405 (San Mateo County Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Utterbach v. Daylight Transport, LLC et al.*, BC600994 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class

counsel in settlement);

- *Lemus v. Slater Inc.*, CIVDS1703633 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Deluna v. Amerit Fleet Solutions et al.*, CIVDS1721564 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Stone v. Universal Protection Services*, AAA Case No. 01-15-0002-7497 (American Arbitration Association wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Commick v. Prometheus Real Estate Group*, CIV531264 (San Mateo Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Martinez v. AMRO Fabricating Corp.*, BC681938 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Ramirez v. Western National Properties*, BC639319 (Los Angeles Superior Court wage and hour class action appointing Protection law Group, LLP as class counsel in settlement);
- *Hernandez v. Access Dental Plan et al.*, 34-2017-00220944 (Sacramento Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Fernandez v. Sumitomo Rubber North America, Inc.*, CIVDS1803211 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Gomez v. Fairway Staffing Services, Inc.*, BC689771 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel

in settlement);

- *Fuentes v. Communications Test Design, Inc.*, CIVDS1802427 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Hartline v. Senior Operations, LLC,* BC697665 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Carrozzella v. Basalite Concrete Products, LLC*, 34-2014-00220214 (Sacramento Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Howey v. Battery Systems, Inc.*, 2026114 (Stanislaus Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Correa v. Cashbak, LLC*, BC723845 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Lemus v. Cass Construction*, 37-2017-00028180 (San Diego Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Sales v. J.S. International Shipping Corp.*, 18CIV05048 (San Mateo Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Aparicio v. Advantage Painting*, CIVDS2013809 (San Bernadino County Superior Court approving PAGA Settlement);
- *Rodriguez v. TheRealReal, Inc.*, CGC-19-574661 (San Francisco County Superior Court approving PAGA Settlement);
- *Parm v. Think Together*, CIVDS1823659 (San Bernardino County Superior Court approving PAGA Settlement);
- *Casey-Neith v. Pacific Union Financial*, 30-2018-01014980 (Orange County

Superior Court approving PAGA Settlement);

- *Wallace v. Alvarado Restaurant Group, LLC*, 20STCV26260 (Los Angeles County Superior Court approving PAGA Settlement);
- *Adams v. West Marine Products, Inc.*, 19CIV00436 (San Mateo Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Coronel, et al. v. CMH Manufacturing, Inc., et al.*, RIC2003070 (Riverside County Superior Court approving PAGA Settlement);
- *Hernandez v. Acceptance Insurance Agency of Tennessee Inc.*, 20STCV03873 (Los Angeles County Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement); and
- *Corea v. KHRG Argyle LLC, et al.*, 20STCV09640 (Los Angeles County Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement).

10. I am fully familiar with the legal and factual issues in this Action, and have specific experience litigating complex wage and hour actions as class actions, including employment cases as set forth above.

11. Including myself, Protection Law Group includes nine attorneys, all of whom actively and continuously represent plaintiffs in employment class actions and representative actions, in Superior Courts throughout the State of California, in the Court of Appeal, and in various Federal courts. Because of the unique history and nature of our practice, all of the attorneys at Protection Law Group have a high level of knowledge and experience in labor and employment law. Besides myself, the following attorneys at Protection Law Group expended significant time in connection with this matter:

a. Amir Nayebdadash – Founding Partner of Protection Law Group, LLP. Mr. Nayebdadash received his Bachelor of Arts degree from University of California, Los Angeles and a Juris Doctor degree from Pepperdine University School of Law. He was admitted to practice law in California in November of 2004, and has been admitted to practice in all federal district courts in the State of California. Prior to founding Protection Law Group, LLP, Mr. Nayebdadash worked at Littler Mendelson, P.C., the largest labor and employment law firm in the United States. In 2013, Mr. Nayebdadash and I founded Protection Law Group LLP. Since the inception of Protection of Law Group, LLP, Mr. Nayebdadash has focused his practice on the representation of employees against employers in California. Mr. Nayebdadash has extensive experience in all aspects of employment litigation, with a focus on wage and hour class and representative action, including, but not limited to taking and defending depositions, briefing and arguing motions, preparing for class certification, negotiating complex wage and hour settlements, trial and appeal.

b. Brendan Burton – Associate at Protection Law Group, LLP. Mr. Burton received his Bachelors of Arts degree from the University of San Diego and a Juris Doctor degree from California Western School of Law. Mr. Burton was admitted to practice in California in December 2018 and is admitted to practice law in all California Federal Courts and United States Court of Appeals for the Ninth Circuit. Prior to joining Protection Law Group, LLP, Mr. Burton's practice focused on recovering damages for injured victims. Since joining Protection Law Group, LLP, Mr. Burton's practice has focused solely on the representation of employee plaintiffs in complex wage and hour class and representative actions. Mr. Burton has extensive experience briefing and arguing motions, and managing written discovery.

12. The Settlement presented here only resulted after having engaged in extensive informal discovery and investigation and is the product of hard-fought litigation and extensive arms' length negotiations. In my opinion as an experienced class counsel, the Settlement is fair, reasonable, adequate, and in the best interests of the Class, PAGA Employees, and State of California.

FACTUAL AND PROCEDURAL BACKGROUND

14. Defendants S & S COASTAL FOODS, LLC, SAMIR ABRAHAM aka SAM ABRAHAM, and SUHAD ABRAHAM aka SUE PRESTON ("Defendants") are owners of Jack-in-the-Box franchise locations, and at all times Sam Abraham and Sue Abraham were officers and owner(s) and/or Chief Executive Officer thereof.

15. Plaintiff worked for Defendants as an hourly paid, non-exempt employee from approximately 2007 to approximately April 2021. *See* Declaration of Reyna Sanchez Nava ("Sanchez Decl.") ¶2. Settlement Agreement, ¶ 2.1. Plaintiff is also over forty (40) years of age.

Class Action Complaint

16. On August 12, 2021, Plaintiff filed a putative class action Complaint, in Orange County Superior Court, Case No. 30-2021-01216425-CU-OE-CXC, alleging nine (9) causes of action against Defendant S & S Coastal Foods, LLC ("Defendant Coastal") for: (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Cal. Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), and (9) Violation of Business & Professions Code section 17200, *et seq*. (the "Class Complaint"). Defendant Coastal denies the allegations in the Class Complaint in Orange County Superior Court, Case No. 30-2021-01216425-CU-OE-CXC, and denies any failure to comply with the laws identified in the Class Complaint and denies any and all liability for the causes of action alleged. Settlement Agreement, ¶ 2.2.

17. On September 13, 2021, Plaintiff filed a First Amended Complaint ("FAC") adding Defendants Samir Abraham aka Sam Abraham and Suhad Abraham aka Sue Preston as named defendants. Defendants deny the allegations in the FAC in Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC, and deny any failure to comply with the laws identified in

the Class Complaint and deny any and all liability for the causes of action alleged. Settlement Agreement, ¶ 2.2.

18. On July 18, 2023, Plaintiff filed a Request for Dismissal in Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC. On July 19, 2023, the Court ordered that the case be dismissed without prejudice. Settlement Agreement, ¶ 2.2.

PAGA Complaint

19. On July 2, 2021, pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave written notice to Defendant Coastal and the LWDA by sending and submitting a PAGA Notice. Attached as **Exhibit 2** is a true and correct copy of Plaintiff's PAGA Notice. Settlement Agreement, ¶ 2.3.

20. On September 21, 2021, Plaintiff filed a Representative Action Complaint for alleged Violation of California Labor Code section 2699, *et seq*. (the "Complaint") against Defendant Coastal in Los Angeles Superior Court, Case No. 21STCV34779. Defendant Coastal denies the allegations in the Complaint in Los Angeles Superior Court Case No. 21STCV34779 (the "Action") and denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged. Settlement Agreement, ¶ 2.2.

21. On September 13, 2021, pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave an updated written notice to the LWDA, adding two additional alleged employers, Samir Abraham aka Sam Abraham, and Suhad Abraham aka Sue Preston. Attached hereto as **Exhibit 3** is a true and correct copy of the Amended PAGA Notice. Settlement Agreement, ¶ 2.3.

22. On November 18, 2021, Plaintiff filed a FAC adding Defendants Samir Abraham aka Sam Abraham and Suhad Abraham aka Sue Preston as named defendants in the Action. The FAC in the Action alleges Defendants violated California Labor Code section 2699, *et seq*. by failing to pay all earned minimum wages (Cal. Labor Code §§ 1194 and 1198); failing to pay all overtime compensation (Cal. Labor Code §§ 204, 510, 1194 and 1198, *et seq.*); failing to provide legally required meal periods and premium pay (Cal. Labor Code §§ 226.7, and 512); failing to provide, authorize and permit rest breaks and failing to pay premium pay (Cal. Labor Code § 226.7 and 512); failing to timely pay all wages at termination (Cal. Labor Code § 203);

failing to furnish complete, accurate, itemized wage statements (Cal. Labor Code § 226); failing to maintain accurate records related to work periods, meal periods, total daily hours, hours per pay period, total wages and compensation, and applicable pay rates (Cal. Labor Code § 1174(d) and the applicable IWC Wage Order); failing to reimburse necessary business-related expenses (Cal. Labor Code §§ 2800 & 2802); failure to pay reporting time wages (Cal. Labor Code § 1198 and the applicable IWC Wage Order); and civil penalties under the Private Attorneys General Act (Cal. Labor Code §§ 2698-2699, *et seq*.). Defendants deny the allegations in the FAC in the Action and deny any failure to comply with the laws identified in the FAC and deny any and all liability for the claims alleged. Settlement Agreement, ¶ 2.2.

23. On May 5, 2023, the Parties filed a Joint Stipulation for Plaintiff to file a Second Amended Complaint ("SAC") in the Action (*Nava v. S & S Coastal Foods, LLC, et al.,* Los Angeles County Superior Court Case no. 21STCV34779) to add the same class claims that were asserted in the Class Complaint (Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC) such that a judgment in the Action would entirely preclude the Class Complaint. Settlement Agreement, ¶ 2.2.

24. The SAC in Los Angeles Superior Court Case No. 21STCV34779 purports to allege causes of action for: California Labor Code section 2699, *et seq*.; failing to pay all earned minimum wages (Cal. Labor Code §§ 1194 and 1198); failing to pay all overtime compensation (Cal. Labor Code §§ 204, 510, 1194 and 1198, *et seq.*); failing to provide legally required meal periods and premium pay (Cal. Labor Code §§ 226.7, and 512); failing to provide, authorize and permit rest breaks and failing to pay premium pay (Cal. Labor Code § 226.7 and 512); failing to timely pay all wages at termination (Cal. Labor Code § 203); failing to furnish complete, accurate, itemized wage statements (Cal. Labor Code § 226); failing to maintain accurate records related to work periods, meal periods, total daily hours, hours per pay period, total wages and compensation, and applicable pay rates (Cal. Labor Code § 1174(d) and the applicable IWC Wage Order); failing to reimburse necessary business-related expenses (Cal. Labor Code §§ 2800 & 2802); failure to pay reporting time wages (Cal. Labor Code § 1198 and the applicable IWC Wage Order); and civil penalties under the Private Attorneys General Act (Cal. Labor Code §§ 2698-2699,

et seq.). Defendants deny the allegations in the SAC in Los Angeles Superior Court Case No. 21STCV34779 and deny any failure to comply with the laws identified in the SAC and deny any and all liability for the claims alleged. Settlement Agreement, ¶ 2.2.

Mediation Efforts

25. The Parties agreed to attend an all-day mediation on November 28, 2022, presided over by Jeffrey Krivis, Esq., in an effort to resolve the Action. Settlement Agreement, ¶ 2.4.

26. Pursuant to this agreement, Defendant provided Plaintiff with extensive discovery including a 20% sampling of time and payroll records for all pay periods at issue. The 20% sampling included all employees employed during the identified pay periods, and the Parties made efforts to ensure that the sampling included pay periods throughout the class period. Settlement Agreement, ¶ 2.5.

27. In addition, Defendant also produced their respective employee handbooks and/or relevant standalone policies, which included all applicable policies relating to meal breaks, rest breaks, timekeeping, the payment of wages and other relevant areas of investigation. Finally, Defendant produced information regarding the number of putative class members, the number of current versus former employees, the total workweeks and pay periods worked by the Class, and the average rate of pay for hourly employees during the class period. This formal and informal discovery and investigation allowed Plaintiff's Counsel to perform a comprehensive damages analysis and estimate Defendant's potential liability on a class and PAGA basis. Settlement Agreement, ¶ 2.5.

28. After a thorough investigation and analysis of this data, on November 28, 2022, the Parties attended a full-day mediation with Jeff Krivis, Esq. ("Mediator"), a neutral and highly respected mediator with extensive experience in complex wage and hour matters. At the mediation, the Parties engaged in intensive settlement discussions during which they debated their respective positions and exchanged views regarding the strengths and weaknesses of the alleged claims.

29. With the assistance of the Mediator, the Parties were able to resolve the Action for a Gross Settlement Amount of Seven Hundred and Fifty Thousand Dollars and Zero Cents ($750,000.00). Thereafter, the Parties spent more than three (3) months, and numerous revisions,

negotiating and finalizing the terms of a Memorandum of Understanding ("MOU"). Numerous revisions were required to sort out which action would need to be dismissed, and which action the approval motions would be filed in. On March 15, 2023, the Parties executed the MOU.

30. While the Parties were in the process of negotiating a long form settlement agreement, Plaintiff reached out to the Court to reserve a date for a Motion for Preliminary Approval.. However, the earliest available date was in September 2024. Thereafter, the Parties spent significant time negotiating and finalizing the terms of the Class, Collective, and Joint Stipulation of Class Action and PAGA Settlement ("Settlement Agreement").

31. On May 31, 2024, the Parties fully executed the Settlement Agreement. As a negotiated term of the Settlement Agreement, Plaintiff's Motion for Preliminary Approval must be filed within thirty (30) days of execution of the Settlement Agreement. A true and correct copy of the Stipulation of Class and PAGA Representative Action Settlement is attached hereto as **Exhibit 1**.

32. Now, following significant investigation into the alleged claims, and lengthy settlement discussions, Plaintiff hereby moves for preliminary approval of the proposed Settlement Agreement and have notified the LWDA of the proposed Agreement.

33. Pursuant to California Labor Code § 2699(l)(2), a copy of the proposed Class, Collective, and Representative Settlement Agreement and Class Notice, as well as information regarding the preliminary approval hearing on this matter, were submitted to the LWDA via online filing at https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html on July 11, 2024.

<u>SUMMARY OF THE TERMS OF SETTLEMENT</u>

34. Plaintiff seeks preliminary approval of the proposed Class, Collective, and Representative Settlement Agreement and Class Notice (hereinafter "Agreement" or "Settlement Agreement"). A true and correct copy of the proposed Class, Collective, and Representative Settlement Agreement and Class Notice is attached hereto as **Exhibit 1**. A true and correct copy of the proposed Class Notice is attached to the Settlement Agreement as **Exhibit A**.

35. Plaintiff seeks to provisionally certify the following class for settlement purposes:

all current and former non-exempt employees of Defendants who worked in the State of California at any time during the Class Period. The Class Period and release of claims covers the time period from August 12, 2017, through June 15, 2022. Settlement Agreement ¶¶1.8, 1.11, 5.1.

36. It is estimated that as of the mediation on November 28, 2022, there were approximately 306 Class Members within the Class Period.

37. Subject to Court approval, the Parties have agreed to settle the Class and PAGA claims at issue in the Action for a non-reversionary Gross Settlement Amount of $750,000.00, exclusive of any employer-side payroll taxes. Settlement Agreement ¶3.1.

38. The Gross Settlement Amount will initially be allocated as follows:

a. Class Counsel's Attorneys' Fees in an amount of thirty-five percent (35%) of the Gross Settlement Amount, amounting to $262,500.00.

b. Class Counsel's reasonable and actual litigation costs and expenses, not to exceed $20,000.00.

c. Settlement Administration Costs for services performed by the Settlement Administrator, estimated not to exceed $9,000.00.

d. A Class Representative Service Payment to named Plaintiff in the amount of $7,500.00.

e. PAGA Payment of $50,000.00 including the distribution of $37,500.00 to the LWDA, which constitutes 75% of the settlement amount allocated to the PAGA claims, and $12,500.00 ("PAGA Penalties") of which will be distributed to Aggrieved Employees.

Settlement Agreement ¶¶ 3.2.1, 3.2.2, 3.2.3, 3.2.5.

39. After the above-estimated amounts are deducted from the Gross Settlement Amount, approximately 306 potential Class Members will share in a Net Settlement Amount of approximately $401,000.00.

40. The Net Settlement Amount will be calculated and distributed/paid to Participating Class Members on a *pro-rata* basis by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b)

multiplying the result by each Participating Class Member's Workweeks. Settlement Agreement ¶3.2.4.

41. In addition, PAGA Members will receive a pro-rata share of the 25% portion of the PAGA Payment allocated for PAGA Members. Settlement Agreement ¶¶ 3.2.5.1, 3.2.5.2.

42. For tax purposes, the Individual PAGA Payments will be allocated as 100% penalties and reported on an IRS-Form 1099. All Individual Class Payments will be allocated as follows: ten percent (10%) of each Individual Class Payment will be allocated as wages and ninety percent (90%) will be allocated as non-wages. Settlement Agreement ¶6.1.

43. The portion of the Individual Settlement Payment allocated towards wages will be reported on IRS Form W-2 and the portion allocated to non-wages will be reported on an IRS Form-1099 by the Claims Administrator. Settlement Agreement ¶6.1.

44. Defendants shall be responsible for all employer-side payroll taxes on the wage portion of each settlement payment. Settlement Agreement ¶1.14.

45. The proposed Agreement is a non-reversionary, non-claims made settlement. All money from the Net Settlement Amount will be distributed to Participating Class Members. No money from the Settlement will revert back to Defendants. Settlement Agreement ¶¶3.1, 4.4.3.

46. The Parties have agreed that Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Claims Administrator no later than sixty (60) days following the Effective Date. The Settlement Administrator shall deposit the settlement payment into a federally insured bank accounts (i.e., FDIC) so that all money held by the Settlement Administrator is in federally insured bank accounts. Settlement Agreement ¶¶1.17, 2.7, 4.3.

47. Then, within fourteen (14) calendar days after Defendants fund the Gross Settlement Amount, the Claims Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall

not precede disbursement of Individual Class Payments and Individual PAGA Payments. Settlement Agreement ¶¶ 1.13, 1.14, 1.4, 1.21, 1.22, 1.24, 1.3, 1.5, 4.4.

48. Any checks issued by the Claims Administrator to Class Members will be negotiable for one-hundred and eighty (180) calendar days. After one-hundred and eighty (180) calendar days from the date of mailing, the checks shall become null and void. Funds associated with cancelled checks shall be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code 1500, et seq., to be held in trust for those Participating Class Members and/or Aggrieved Employees who did not timely cash their Settlement checks. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code 384, as all payments to the Participating Class members and Aggrieved Employees will be paid out, whether these individuals cash their Settlement checks. Therefore Defendants will not be required to pay any interest on such amounts. Settlement Agreement ¶4.4.3.

49. In exchange for participating in the Settlement, Participating Class Members will release their wage and hour claims, including claims that are alleged or reasonably could have been asserted, against Defendant and the Released Parties, as defined in the Settlement Agreement. Settlement Agreement ¶¶5.1, 5.3. However, the release for Participating Class Members will only occur upon the complete funding of the Gross Settlement Amount and is narrowly tailored to only release claims based upon the facts alleged in the operative complaint in the Action, for the Class Period. The proposed Settlement also resolves all of the PAGA Members' claims arising under the PAGA for the PAGA Period. Settlement Agreement ¶¶5.2, 5.3.

<u>THE SETTLEMENT IS REASONABLE</u>

Method of Distribution

50. The proposed settlement is based on the number of Workweeks worked by each Class Member during the Class Period. This method is commonly used in wage and hour class actions because it relies upon objective evidence of the total weeks of employment, which Class Members can easily review and confirm for themselves. This information is readily available from Defendants' records, and the Settlement Administrator can apply the formula in a fair and

transparent manner.

51. Additionally, this method of distribution is commonly used in wage and hour class actions because it allows for a distribution that corresponds closely to the alleged damages since employees experience the same working conditions, so their damages are directly related to the amount of time they were employed.

52. The effectiveness of Plaintiff's Counsel in prosecuting this case has translated into monetary benefits for the Settlement Class, PAGA Members, and State of California in the following respects: (1) the Settlement Class, PAGA Members, and State of California will recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly, a worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type; and (3) significant savings in Class Counsel's fees and costs which would have only increased significantly had the case progressed through trial, appeals, and continued litigation.

Informed Arms-Length Negotiations

53. Settlement was reached in this matter only after extensive formal and informal discovery and investigations, including review and analysis of a class wide sampling of time and payroll data, as well as information and documentation concerning the claims set forth in the complaint, such as Defendants' employee handbooks and relevant wage and hour policies and procedures, information regarding the number of putative Class Members and the number of current versus former employees, the total workweeks and pay periods worked by the Class, and the average rates of pay for the Class. This investigation allowed Plaintiff's Counsel to act intelligently in negotiating the settlement. Plaintiff's Counsel thoroughly reviewed and analyzed the formal and informal discovery prior to the mediation and conducted a class-wide assessment and analysis of Defendants' potential damages based on the documents and information provided. The Parties extensively briefed the strengths and weaknesses of Plaintiff's claims and Defendants' defenses and provided their analyses to the mediator for his consideration.

54. Defendants disputed liability, and settlement negotiations were at all times at arm's length and adversarial.

55. The Parties engaged in a full day mediation with Jeff Krivis Esq., a highly respected mediator with particular experience in wage and hour class actions, during which the Parties engaged in extensive settlement negotiations. The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. Defendants at all times maintained that they had complied with California wage and hour laws.

56. Likewise, Plaintiff was prepared to vigorously litigate the Action. The proposed settlement was reached at the end of a process that was neither fraudulent nor collusive and was reached only after a full day of mediation which allowed the Parties to reach a compromise of the hotly disputed claims with the help of the mediator. Following mediation, once an agreement was reached, the Parties also engaged in extensive negotiations before finalizing the Settlement Agreement presently before the Court. As previously mentioned, at all times, Plaintiff was willing and prepared to litigate this Action if the Parties had been unable to reach a favorable resolution.

Sufficient Investigation and Discovery

57. Prior to the mediation, Defendants produced a 20% sampling of time and payroll records for all pay periods at issue. The 20% sampling included employees employed during the identified pay periods and the Parties made efforts to ensure that the sampling included pay periods throughout the class period to ensure that it was a large enough and representative sampling to ensure they could analyze the claims of the class in a representative fashion.

58. Through a combination of formal and informal discovery, Defendants produced a class wide sampling of time records, payroll records, sample pay stubs, written policies including the employee handbooks in effect during the Class Period, and other relevant documents. Defendants also provided information regarding the number of putative class members, the number of current versus former employees, the total workweeks and pay periods worked by the Class, and the Class Members' average rate of pay. This allowed Plaintiff to conduct a class-wide assessment and analysis of potential damages. The Parties extensively briefed issues regarding class certification and liability and provided their analyses to the mediator who helped the parties debate the strengths and weakness of their positions.

59. Additionally, settlement negotiations were conducted by highly capable and

experienced counsel. Plaintiff's Counsel are respected members of the bar with strong records of vigorous and effective advocacy, and are experienced in handling complex wage and hour class action litigation.

The Settlement is Fair and Reasonable in Light of the Parties' Respective Legal Positions and Recovery Risks

60. The reasonableness of the Settlement is underscored by the fact that Defendants have legal and factual grounds for defending the action. Based upon Plaintiff's Counsel's experience litigating similar complex matters, Plaintiff reasonably expected a vigorous and lengthy defense to both class certification and the merits absent a settlement.

Estimate of Maximum Potential Value

61. Prior to mediation, my office analyzed a sampling of time and payroll records for the putative class provided by Defendants and other relevant documents and discovery. The randomly selected sampling included records for putative class members who were employed throughout different time periods during the Covered Period, that is representative of the Class. With this sampling, my office was able to perform a comprehensive damages analysis and estimate Defendants' potential violations, liability, and exposure, including, and not limited to, analyzing time and pay data, considering potential meal period violations, potential rest period violations, potential synthetic meal period recordings, unpaid meal or rest period premiums, overtime and premium payments, etc.

62. Based on the discovery provided, my office estimated with respect to the claims at issue, with all claims adjudicated in favor of the Class, Defendants faced a maximum potential liability of $22,996,294.82. This estimated maximum liability (excluding claims for violations of Labor Code sections 204, 210, 221 and 224) includes: $2,965,038.88 for meal period and rest period violations; $841,862.26 for unpaid off-the-clock work, overtime and for unpaid minimum wages, waiting time penalties of $184,089.60, penalties for inaccurate wage statements in the amount of $795,450.00, and $85,500.00 for unreimbursed business expenses. Plaintiff also estimated non-duplicative PAGA penalties of approximately $18,124,354.08 which includes penalties under Labor Code §§ 204 and 1174(d).

Analysis of Specific Claims and Risks Considered

63. Substantial barriers to a class recovery existed. Although the investigation and information discovered supports Plaintiff's contentions, Defendants raised potential defenses and other circumstances that impacted the risk of proceeding on a class-wide basis.

64. Defendants contended that Plaintiff's claims were not suitable for class certification because individual issues and affirmative defenses would predominate should this case go to trial. *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1051 (2012); *Duran v. U.S. Bank Nat. Assn*., 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551 (2011). While Plaintiff and Class Counsel disagree with Defendants' predictions, they also recognize that there is a significant risk that the Court may deny class certification. *See Findings of the Study of California Class Action Litigation*, 2000-2006, available at http://www.courts.ca.gov/documents/class-action-lit-study.pdf (finding that only 21.4% of class actions were certified either as part of a settlement or as part of a contested certification motion). As with all class actions, these complex cases raise difficult management and proof issues and consideration of these risks factored into the decision to enter this Settlement.

Meal and Rest Period Claims

65. A large portion of Defendants' estimated liability lies in Plaintiff's meal period claims. Meal period claims have become increasingly difficult to certify in recent years and Defendants contended their practices were lawful. *See Brinker*, 53 Cal. 4th at 1034-35. Defendants argued that they had compliant practices and my office had to consider the risk that the Court would find validity in the individualized proof defense to the certification of Plaintiff's meal period claim. Similarly, Plaintiff will likely face difficulties proving the alleged rest period violations, as Defendants were not required to record these breaks. Defendants claimed they allowed employees to take their state mandated rest periods and given the lack of records demonstrating rest period violations, there were legitimate concerns Plaintiff would not be able to certify this claim or prove substantial damages.

Minimum Wage and Overtime Claims

66. Plaintiff also faced challenges certifying and proving liability for his minimum

wage and overtime claims. These claims were largely based on alleged unrecorded, off-the-clock work performed by Class Members both before and after their shifts. Defendants also argued that the individualized nature of such damages presented substantial concerns regarding the manageability of the case and the risk the Court could find these issues prevented certification.

Unreimbursed Business Expenses Claim

67. Plaintiff's reimbursement claim would likely present similar problems of individualized proof. Plaintiff's reimbursement claim was based on the use of employees' personal vehicles driving to and from various job sites, purchasing protective glasses, bringing, or purchasing personal tools to use at work. However, Defendants disputed that Plaintiff, and any putative class member were required to incur these expenses. Defendants further contended that the reason for why a putative class member undertook certain expenses, while not others, and failed to receive reimbursement for certain expenses, would raise individual issues that could not be certified.

Waiting Time Penalties and Wage Statement Claims

68. There are also substantial risks associated with Plaintiff's claims for waiting time penalties and wage statement claims. First, these claims were derivative of Plaintiff's previous claims and if certification was denied on those underlying claims, these claims would also likely fail. Moreover, even if Plaintiff prevailed on their underlying off-the-clock claims, they would still be required to demonstrate that Defendants' violations of Labor Code §203 were willful violations, a difficult prospect. *See, e.g.*, *Choate v. Celite Corp*., 215 Cal App. 4th 1460, 1468 (2013) (holding that "an employer's reasonable, good faith belief that wages are not owed may negate a finding of willfulness"). Wage statement claims have also seen varying treatment at the appellate level because such claims have an element of discretion attached to them rather than a pure calculation of damages after liability is proven. *Cf., Jaimez v. DAIOHS USA, Inc*., 181 Cal.App.4th 1286 (2010) *with Price v. Starbucks Corp*., 192 Cal.App.4th 1136 (2011). Accordingly, these derivative claims, which comprised a substantial portion of Defendant's estimated potential liability, are extremely risky.

69. My office also recognized that, even if Plaintiff prevailed at class certification,

proving the amount of wages due to each Class Member would be an expensive, time-consuming, and extremely uncertain proposition. In order to prove liability and damages, my office would be required to spend hundreds of additional hours obtaining discovery and likely substantial motion practice, in addition to contacting Class Members and obtaining numerous declarations at great expense. Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. On the other hand, Defendant would likely be able to obtain the cooperation of its employees. Moreover, even if Plaintiff prevailed, possible appeals would substantially delay any recovery by the Class.

PAGA Claim

70. My office also separately contemplated the risks of proceeding with the PAGA claim and the potential liability Defendants could face from this claim. As part of the valuation of the potential PAGA claim, Class Counsel also included claims under Labor Code §§204 and 1174(d).

71. The Parties agreed during settlement negotiations to allocate $50,000.00 of the Settlement towards the settlement of the PAGA claim, which represents approximately 6.66% of the Gross Settlement Amount. This percentage of the settlement is well above the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. Courts have approved allocations of as little as 1% of the Gross Settlement Amount. See, e.g.:

- *Davis v. Brown Shoe Co.*, 2015 U.S. Dist. LEXIS 149010 (E.D. Cal. 2015) (PAGA Payment of $5,000 in a $1.5 million class settlement);
- *Zamora v. Ryder Integrated Logistics, Inc.*, 2014 U.S. Dist. LEXIS 184096 (S.D. Cal. 2014) ($7,500 payment to LWDA for PAGA on a $1.5 million class settlement);
- *Cruz v. Sky Chefs, Inc.*, 2014 U.S. Dist. Lexis 17693 (N.D. Cal. 2014) (approving payment of $10,000 to the LWDA for PAGA out of $1,750,000 class settlement);
- *Chu v. Wells Fargo Investments, LLC*, 2011 WL 672645, *1 (N.D. Cal. 2011) (approving PAGA payment of $7,500 to the LWDA out of $6.9 million common-

fund settlement);

- *Martino v. Ecolab Inc.*, No. 3:14CV04358 (N.D. Cal. 2017) ($100,000 allotted as PAGA penalties or 0.48% of $21,000,000 settlement amount);
- *East v. Comprehensive Educational Services Inc.*, Case No. 11-CECG-04226 (2015) ($10,000 allotted as PAGA penalties or 0.13% of $7,595,846 settlement amount);
- *Bararsani v. Coldwell Banker Residential Brokerage Company*, Case No. BC495767 (2016) ($10,000 allotted as PAGA penalties or 0.22% of $4,500,000 settlement amount);
- *Rico v. Cardinal Health 200 Inc.*, No. CIVRS-14-01451 (2017) ($5,000 allotted as PAGA penalties or 0.14% of $3,500,000 settlement amount);
- *Moppin v. Los Robles Medical Center*, No. 5:15CV01551 (C.D. Cal. 2017) ($15,000 allotted as PAGA penalties or 0.40% of $3,775,000 settlement amount);
- *Scott-George v. PVH Corporation*. No., 2:13CV00441 (E.D. Cal. 2017) ($15,000 allotted as PAGA penalties or 0.46% of $3,250,000 settlement amount);
- *Hart v. Parkview Community Hospital Medical Center*, No. RIC-14-06044 (2016) ($10,000 allotted as PAGA penalties or 0.39% of $2,550,000 settlement amount);
- *Nehrlich v. RPM Mortgage Inc.*, No. 30-2013-00666783-CU-OE-CXC (2017) ($10,000 allotted as PAGA penalties or 0.40% of $2,500,000 settlement amount);
- *Kelley v. The Related Companies of California L.L.C.*, No. CIVDS-13-07167 (2016) ($10,000 allotted as PAGA penalties or 0.50% of $2,000,000 settlement amount); and
- *Castrejon v. O'Connell Landscape Maintenance Inc.*, No. RIC-12-12798 (2015) ($5,000 allotted as PAGA penalties or 0.33% of $1,500,000 settlement amount).

72. Settlements that allocate only 1% of the total settlement value to resolve PAGA claims are typical of wage and hour settlements and PAGA amounts as little as 0.27% of the Gross Settlement Amount have been approved as reasonable by courts.

73. Plaintiff's Counsel also recognizes that the PAGA claims would be subject to the same defenses and risks as Plaintiff's class claims, as well as defenses unique to PAGA, the substantial risk that PAGA penalties may not be stacked for violations based on the same conduct, and the substantial risk that PAGA penalties may be reduced where they are duplicative, arbitrary or oppressive. As part of the valuation of the potential PAGA claims, Plaintiff's Counsel included claims under Labor Code §§ 204, and 1174(d). The value of Plaintiff's claim under Labor Code §204 could be recovered either through Labor Code §210 or PAGA, but as a matter of law, Plaintiff is not entitled to a duplicative recovery.

74. Therefore, taking into consideration the risks regarding certification of the class claims, my office discounted Defendants' estimated liability by 70%. In light of merits-based risk factors even if the claims were brought to trial, Class Counsel reduced Defendants' estimated liability for merits-based risks by 70%.

75. With respect to their PAGA claim, in consideration of the risk faced with establishing that the PAGA claims are manageable, my office applied a discount of 80%. In this regard, Defendants contend that numerous federal and state cases have stricken or dismissed PAGA claims where those claims are deemed unmanageable. (See, e.g., *Arroyo v. International Paper Co*. (N.D. Cal. 2020) 2020 U.S. Dist. LEXIS 32609, *54 [stating that it may ultimately be determined that a Section 2802 claim is unmanageable]; *Amiri v. Cox Communications California, LLC* (C.D. Cal. 2017) 272 F.Supp.3d 1187, 1194 [finding it appropriate to strike plaintiff's PAGA claim for meal and rest period violations as unmanageable]; *Brown v. American Airlines, Inc*. (C.D. Cal. 2015) 2015 U.S. Dist. LEXIS 150672, *10-11 [finding too many individualized assessments required to determine PAGA claims regarding overtime pay]; *Ortiz v. CVS Caremark, Corp*. (N.D. Cal. 2014) 2014 U.S. Dist. LEXIS 36833, *11-13 [striking PAGA claim based on claim of failing to reimburse business expenses because of the necessity for too many individualized inquiries]; *Vasquez v. Warren Distributing* (2020) 2020 Cal.App.Unpub. LEXIS 4339, *53-57 [stating that trial court has inherent authority to assess manageability and may dismiss claims deemed unmanageable]; *Hernandez v. California Pizza Kitchen* (2016) 2016 Cal.App.Unpub. LEXIS 7789, *19-20 [PAGA action may be stricken on manageability grounds]; *Nelson v. Southern*

California Gas Co. (2013) 2013 Cal.App.Unpub. LEXIS 3837, *66 ["PAGA does not purport to require trial judges to try unmanageable cases."]. Even the California Supreme Court has acknowledged that PAGA actions must be manageable. (*Williams v. Superior Court* (2017) 53 Cal. 5th531, 559.)

76. Further, in recognition of the additional risks faced by Plaintiff's PAGA claim, including the discretionary nature of such claim and the Court's discretion to reduce penalties, my office applied an additional discount of 80% to PAGA. Indeed, Defendants assert that the court has the discretion to reduce an award of PAGA penalties when they determine that imposition of the maximum amount would be "unjust, arbitrary, oppressive, or confiscatory based on the facts and circumstances of this case." (See, e.g., *Thurman v. Bayshore Transit Mgmt., Inc.*, 203 Cal. App. 4th 1112, 1135 (2012); *Amaral v. Cintas Corp*., 163 Cal.App.4th 1157, 1213 (2008) [trial court may exercise its discretion under Labor Code section 299(e)(2) to award lesser penalties based on the enumerated considerations). (See *Carrington v. Starbucks Corp* (2018) 30 Cal.App.5th 504, 514 & 529 [affirming trial court's bench judgement awarding 0.002% of maximum PAGA penalties claimed by Plaintiff because the employer made good faith attempts to comply with meal period obligations].)

77. Therefore, after taking into consideration all of the risks mentioned above, Class Counsel applied an adjusted liability of $748,946.36.

78. I therefore submit that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Class Members, PAGA Members, and State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

<u>REQUESTED CLASS REPRESENTATIVE SERVICE PAYMENT</u>

79. As part of the Settlement Agreement, Plaintiff is requesting a reasonable service payment of $7,500.00. This payment is imminently reasonable given the time and effort Plaintiff spent on the Action, and the benefit to the other putative Class Members, PAGA Members, and State of California as a result of Plaintiff's actions.

80. Notice of the requested award is disclosed to the Settlement Class Members in the Class Notice and should be preliminarily approved by the Court. Agreement, **Ex. A.**

ATTORNEYS' FEES AND COSTS

81. My office's fees incurred are in line with the common fund requested. Plaintiff's Counsel are seeking thirty-five percent (35%) of the Gross Settlement Amount or $262,500.00. My office has achieved an excellent result for the Class during hard fought negotiations. My office has extensive experience in wage and hour disputes and was able to use their extensive experience and skills to achieve this result. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, and my office's hourly rates. The Motion for Final Approval will also elaborate on the reimbursement for costs sought by my office, which are currently estimated not to exceed $20,000.00. Notice of Plaintiff's Counsel's requested fees are disclosed to the Class in the Class Notice. See Agreement, **Ex. A**.

THE METHOD OF NOTICE IS VERY LIKELY TO GIVE ACTUAL NOTICE

82. Subject to the Court's Approval, the Parties have agreed to having Phoenix Class Action Administration Solutions to administer the Settlement. Settlement Agreement ¶8.1. Plaintiff nor her Counsel Parties have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

83. The Notice will include information regarding the nature of the lawsuit, a summary of the terms of the Settlement, the Class definition, information on how to object and opt-out, and the date of the Final Approval Hearing. The Notice will also list each Class Member's Qualifying Workweeks and an estimate of the Class Member's individual settlement payment. The Notice will indicate that the Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate and reasonable, and a final determination of such issues will be made at the final hearing. Settlement Agreement ¶8.4.

84. No later than 15 business days after the Court grants preliminary approval of the Settlement, Defendant will provide the Class Data to the Settlement Administrator including each Class Member's name, last known address, social security number, workweeks worked during the

Class Period, workweeks worked during the PAGA Period, amongst other information. The Settlement Administrator shall perform any searches necessary for confirmation of the Class Members' addresses and shall mail the Notice of Settlement to the Class Members prior to mailing the Notices. Settlement Agreement ¶¶1.7, 4.2, 8.4.2.

85. No later than three (3) business days after receipt of the Class Data, the Claims Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data. Settlement Agreement ¶8.4.1.

86. No later than fourteen (14) days after receiving the Class Data, the Settlement Administrator will send to all Class Members identified in the Class Data, via first-class USPS Mail, the Class Notice with Spanish translation. The Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Settlement Administrator will run all the addresses provided through the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. Settlement Agreement ¶8.4.2.

87. No later than three (3) business days after the Settlement Administrator's receipt of any Class Notice returned by the USPS as undeliverable, the Settlement Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Settlement Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Settlement Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time. Settlement Agreement ¶8.4.3.

88. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) calendar days otherwise provided in the Class Notice for all Class Members

whose notice is re-mailed. The Settlement Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice. Settlement Agreement ¶¶8.4.4, 8.5, 8.6.

89. If the Settlement Administrator, Defendants, or Class Counsel are contacted by or otherwise discover any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Settlement Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under the Settlement Agreement not later than fourteen (14) calendar days after receipt of the Class Data, or the deadline dates in the Class Notice, which ever occurs later. Settlement Agreement ¶8.4.5.

90. I am not aware of an alternative method of providing notice to the Class which would result in a higher likelihood of actual notice. The original source of the mailing addresses is from each Class Member, who provided the information to Defendant. As a fail-safe to this highly reliable method, skip tracing will be performed if necessary. Under the terms of the Settlement, the Settlement Administrator will track any and all opt outs, objections, and disputes.

91. Any Class Member who wishes to be excluded from the Settlement must send the Settlement Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) calendar days after mailing of the Class Notice (plus an additional fourteen (14) calendar days for a re-mailed Class Notice), and includes: the case name and number, the Settlement Class Member's name, address, and email address or telephone number, must be signed by the Settlement Class Member, and must reasonably communicate the Settlement Class Member's election to be excluded from the class Settlement. Settlement Agreement ¶¶8.5.1.

92. The Settlement Administrator may not reject a Request for Exclusion as invalid because it fails to contain all information specified in the Class Notice. The Settlement Administrator shall accept any Request for Exclusion as valid if the Class Member's identity can reasonably be ascertained. The Settlement Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Settlement Administrator has reason to

question the authenticity of a Request for Exclusion, it may demand additional proof of the Class Member's identity. The Settlement Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge. Settlement Agreement ¶ 8.5.2.

93. The Request for Exclusion must be postmarked no later than sixty (60) calendar days after mailing of the Notice. Settlement Agreement ¶¶8.5.1-8.5.4.

94. Any Class Member wishing to object to the approval of this Settlement shall provide the Settlement Administrator, by fax, email, or mail, a signed written statement stating the specific reason for the objection as well as their full name, address, telephone number, and last four (4) digits of their social security number or employee ID number. Such written statement must be mailed to the Settlement Administrator within sixty (60) calendar days (plus an additional fourteen (14) calendar days for a re-mailed Class Notice) following the initial mailing of the Notice. Class Members may also appear and object at the final approval hearing, regardless of whether they have submitted a written objection. Non-Participating Class Members have no right to object to any of the class action components of the Settlement. Settlement Agreement ¶¶8.7.1, 8.7.2, 8.7.3.

NOTICE TO THE LWDA

79. On July 11, 2024, my office submitted a copy of the fully executed Class, Collective, and Representative Settlement Agreement and Class Notice, as well as information regarding the preliminary approval hearing on this matter, to the LWDA via online filing. A true and correct copy of an email confirming submission of the Settlement to the LWDA on July 11, 2024, is attached hereto as **Exhibit 4**.

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

Executed on September 4, 2024,

Heather M. Davis

EXHIBIT 1

CLASS, COLLECTIVE, AND REPRESENTATIVE SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class, Collective, and Representative Action Settlement Agreement ("Agreement") is made by and between Plaintiff, Reyna Sanchez Nava ("Plaintiff"), and Defendants, S & S Coastal Foods, LLC, Samir Abraham A.K.A. Sam Abraham, and Suhad Abraham A.K.A. Sue Preston (collectively, the "Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Action." The case titled *Nava v. S & S Coastal Foods, LLC, et al.*, filed on September 21, 2021, in the Los Angeles County Superior Court, and assigned Case No. 21STCV34779. On November 18, 2021, Plaintiff filed a First Amended Complaint. On June 27, 2023, Plaintiff filed the Second Amended Complaint.

1.2 "Aggrieved Employee." Each of the Class Members who was employed by Defendants at any time during the PAGA Period.

1.3 "Attorneys' Fees and Costs." The attorneys' fees agreed upon by the Parties for Class Counsel's litigation and resolution of the Action and *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC, and all costs incurred and to be incurred by Class Counsel in the Action and *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC, including, but not limited to, costs associated with documenting the Settlement, securing the Court's approval of the Settlement, any expert expenses, and securing an entry of Judgment on all claims in the Action which are covered by the Released Claims as defined herein. Class Counsel will request Attorneys' Fees not to exceed 35% of the Gross Settlement Amount of Seven Hundred Fifty Thousand Dollars and Zero Cents ($750,000.00), which is a total of Two Hundred Sixty Two Thousand Five Hundred Dollars and Zero Cents ($262,500.00). The Costs requested to be reimbursed will not exceed Twenty Thousand Dollars and Zero Cents ($20,000.00). The Attorneys' Fees and Costs awarded are subject to the Court's approval. Defendants have agreed not to oppose Class Counsel's request for Attorneys' Fees and Costs as set forth above. Such Attorneys' Fees and Costs shall be paid from the Gross Settlement Amount. Class Counsel will be issued an IRS Form 1099 for the Attorneys' Fees and Costs detailed in this Section and shall be solely and legally responsible for paying all applicable taxes on the payment made pursuant to this Section. A reduction in the Attorneys' Fees and/or Costs shall not be grounds to nullify this Agreement.

1.4 "Claims Administrator." Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement. The Parties each represent that they do not have any financial interest in the Claims Administrator or otherwise have a relationship with the Claims Administrator that could create a conflict of interest.

1.5 "Claims Administration Costs." The costs payable from the Gross Settlement Amount to the Claims Administrator for administering this Settlement, including, but not limited to, translating the Class Notice to Spanish, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per Class Member, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement Agreement, and as requested by the Parties. The Claims Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Claims Administrator as being the maximum costs necessary to administer the Settlement. The Claims Administration Costs are currently estimated to be Nine Thousand Dollars and Zero

Cents ($9,000.00). To the extent actual Claims Administration Costs are greater than Nine Thousand Dollars and Zero Cents ($9,000.00), such excess amount will be deducted from the Gross Settlement Amount, subject to the Court's approval.

1.6 "Class Counsel" means Heather Davis, Amir Nayebdadash, and Priscilla Gamino of Protection Law Group, LLP on behalf of Plaintiff and Class Members.

1.7 "Class Data" means Class Member identifying information in Defendants' possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.8 "Class Member(s)" or "Settlement Class." All current and former non-exempt employees of Defendants who worked in the State of California at any time during the Class Period. This includes either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.9 "Class Member Address Search." The Claims Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Claims Administrator with Class Members.

1.10 "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.11 "Class Period" means the period commencing August 12, 2017 up to and including June 15, 2022.

1.12 "Class Representative." The named Plaintiff, Reyna Sanchez Nava, in the Action seeking Court approval to serve as Class Representative.

1.13 "Class Representative Service Payment." The amount to be paid to Plaintiff in recognition of Plaintiff's effort and work in prosecuting the Action on behalf of Class Members and for Plaintiff's general release of all claims. Subject to the Court granting Final Approval of this Settlement Agreement, Plaintiff will request Court approval of a Class Representative Service Payment of Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00). Plaintiff will be issued an IRS Form 1099 in connection with Plaintiff's respective Class Representative Service Payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on the payment and shall hold Defendants harmless from any claim or liability for taxes, penalties or interest arising as a result of the payment. The Class Representative Service Payment will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment paid pursuant to the Settlement. Defendants made no representations as to the tax treatment or legal effect of the payment called for herein, and Plaintiff is not relying on any statement or representation by Defendants or Defendants' counsel in this regard.

1.14 "Gross Settlement Amount." The sum of no more than the gross amount of Seven Hundred Fifty Thousand Dollars and Zero Cents ($750,000.00), except as provided in section 4.1 below, to be paid by Defendants in full satisfaction of all claims arising from the Action. The Gross Settlement Amount includes all Individual Class Payments to Class Members, Individual PAGA Settlement Payments to Aggrieved Employees, the Class Representative Service Payment to Plaintiff, Claims Administration Costs to the Claims Administrator, the Labor and Workforce Development Agency ("LWDA") Payment, and the

Attorneys' Fees and Costs. Defendants will be responsible for any employer payroll taxes required by law, separate and in addition to the Gross Settlement Amount, including the employer FICA, FUTA, and SDI contributions on the wage portion of the Individual Class Payments.

1.15 "Court" means the Superior Court of California, County of Los Angeles.

1.16 "Defense Counsel" means attorneys Musick Peeler & Garrett LLP on behalf of Defendants.

1.17 "Effective Date." The date on which the Final Award becomes final. For purposes of this Section, the Final Award "becomes final" only after the Court grants the Motion for Final Approval and upon service of the Notice of Entry of Order and/or Judgment, and upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Order Granting Final Approval and/or Judgment (this time period shall not be less than sixty (60) calendar days after the Court's Order is entered); (ii) the date of affirmance of an appeal of the Order Granting Final Approval and/or Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Order Granting Final Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Order Granting Final Approval and/or Judgment.

1.18 "Final Approval." The Court's order granting final approval of the Settlement.

1.19 "Final Approval Hearing." The Court's hearing on the Motion for Final Approval of the Settlement.

1.20 "Judgment." The Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.21 "Individual Class Payment." The Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.22 "Individual PAGA Payment." The Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

1.25 "Net Settlement Amount." The Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.26 "Non-Participating Class Member." Any Class Member who opts out of the Settlement by sending the Claims Administrator a valid and timely Request for Exclusion. Such Class Member shall still be bound by the PAGA Release if that Class Member worked at any time during the PAGA Period.

1.27 "PAGA." The Private Attorneys General Act (Labor Code §§ 2698. *Et seq*.).

1.28 "PAGA Pay Period." Any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.29 "PAGA Period." The period commencing July 2, 2020 up to and including June 15, 2022.

1.30 "PAGA Notice." Plaintiff's letters to the LWDA, dated July 2, 2021 and September 13, 2021, providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.31 "PAGA Penalties" means the total amount of PAGA civil penalties in the amount of $50,000 to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00)), and 75% to the LWDA (Thirty Seven Thousand Five Hundred Dollars and Zero Cents ($37,500.00)), in settlement of PAGA claims.

1.32 "Participating Class Member." Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.33 "Plaintiff." Reyna Sanchez Nava, the named plaintiff in the Action.

1.34 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.35 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.36 "Released Class Claims" means the claims being released as described in Paragraph 5.3 below.

1.37 "Released PAGA Claims" means the claims being released as described in Paragraph 5.2 below.

1.38 "Released Parties" means Defendants and all of their respective current and former partners, parents, subsidiaries, predecessors and successors, joint employers, and their affiliated entities, franchisors, and each of their respective owners, officers, directors, managing agents, exempt-employees, partners, shareholders, and agents, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, and claims representatives.

1.39 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.40 "Response Deadline" means sixty (60) calendar days after the Claims Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Claims Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

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

1.42 "Workweek" means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

2. RECITALS.

2.1 Plaintiff is alleged to be a former employee of Defendants.

2.2 On August 12, 2021, Plaintiff filed a class action Complaint, in Orange County Superior Court, Case No. 30-2021-01216425-CU-OE-CXC, purporting to allege causes of action against S & S Coastal Foods, LLC for: (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Cal. Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), and (9) Violation of Business & Professions Code section 17200, *et seq*. S & S Coastal Foods, LLC denies the allegations in the Complaint in Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC, and denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged. On September 13, 2021, Plaintiff filed a First Amended Complaint adding Defendants Samir Abraham aka Sam Abraham and Suhad Abraham aka Sue Preston as named defendants. Defendants deny the allegations in the First Amended Complaint in Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC, and deny any failure to comply with the laws identified in the Complaint and deny any and all liability for the causes of action alleged. On July 18, 2023, Plaintiff filed a request for dismissal for Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC. On July 19, 2023, the Court ordered that the case Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC be dismissed without prejudice.

On September 21, 2021, Plaintiff filed a Representative Action Complaint for alleged Violation of California Labor Code section 2699, *et seq*. against S & S Coastal Foods, LLC in Los Angeles Superior Court, Case No. 21STCV34779. S & S Coastal Foods, LLC denies the allegations in the Complaint in Los Angeles Superior Court Case No. 21STCV34779, and denies any failure to comply with the laws identified in the Complaint and denies any and all liability for the causes of action alleged. On November 18, 2021, Plaintiff filed a First Amended Complaint adding Defendants Samir Abraham aka Sam Abraham and Suhad Abraham aka Sue Preston as named defendants in Los Angeles Superior Court Case No. 21STCV34779. The First Amended Complaint in Los Angeles Superior Court Case No. 21STCV34779 alleges Defendants violated California Labor Code section 2699, *et seq*. by failing to pay all earned minimum wages (Cal. Labor Code §§ 1194 and 1198); failing to pay all overtime compensation (Cal. Labor Code §§ 204, 510, 1194 and 1198, *et seq.*); failing to provide legally required meal periods and premium pay (Cal. Labor Code §§ 226.7, and 512); failing to provide, authorize and permit rest breaks and failing to pay premium pay (Cal. Labor Code § 226.7 and 512); failing to timely pay all wages at termination (Cal. Labor Code § 203); failing to furnish complete, accurate, itemized wage statements (Cal. Labor Code § 226); failing to maintain accurate records related to work periods, meal periods, total daily hours, hours per pay period, total wages and compensation, and applicable pay rates (Cal. Labor Code § 1174(d) and the applicable IWC Wage Order); failing to reimburse necessary business-related expenses (Cal. Labor Code §§ 2800 & 2802); failure to pay reporting time wages (Cal. Labor Code § 1198 and the applicable IWC Wage Order); and civil penalties under the Private Attorneys General Act (Cal. Labor Code §§ 2698-2699, *et seq*.). Defendants deny the allegations in the First Amended Complaint in Los Angeles Superior Court Case No. 21STCV34779 and deny any failure to comply with the laws identified in the First Amended Complaint and deny any and all liability for the claims alleged. On May 5, 2023, the Parties filed a joint stipulation for Plaintiff to file a Second Amended Complaint in *Nava v. S & S Coastal Foods, LLC, et al.*, Los Angeles County Superior Court Case No. 21STCV34779 to add the same class claims that are asserted in *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC such that a judgment in *Nava v. S & S Coastal Foods, LLC, et al.*, Los Angeles County Superior Court Case

No. 21STCV34779 would entirely preclude *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County. On June 21, 2023, the Court ordered permission for Plaintiff to file a Second Amended Complaint pursuant to the Parties' joint stipulation. On June 27, 2023, Plaintiff filed the Second Amended Complaint. The Second Amended Complaint in Los Angeles Superior Court Case No. 21STCV34779 proports to allege causes of action for: California Labor Code section 2699, *et seq*.; failing to pay all earned minimum wages (Cal. Labor Code §§ 1194 and 1198); failing to pay all overtime compensation (Cal. Labor Code §§ 204, 510, 1194 and 1198, *et seq.*); failing to provide legally required meal periods and premium pay (Cal. Labor Code §§ 226.7, and 512); failing to provide, authorize and permit rest breaks and failing to pay premium pay (Cal. Labor Code § 226.7 and 512); failing to timely pay all wages at termination (Cal. Labor Code § 203); failing to furnish complete, accurate, itemized wage statements (Cal. Labor Code § 226); failing to maintain accurate records related to work periods, meal periods, total daily hours, hours per pay period, total wages and compensation, and applicable pay rates (Cal. Labor Code § 1174(d) and the applicable IWC Wage Order); failing to reimburse necessary business-related expenses (Cal. Labor Code §§ 2800 & 2802); failure to pay reporting time wages (Cal. Labor Code § 1198 and the applicable IWC Wage Order); and civil penalties under the Private Attorneys General Act (Cal. Labor Code §§ 2698-2699, *et seq*.). Defendants deny the allegations in the Second Amended Complaint in Los Angeles Superior Court Case No. 21STCV34779 and deny any failure to comply with the laws identified in the Second Amended Complaint and deny any and all liability for the claims alleged.

2.3 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave written notice to S & S Coastal Foods, LLC and the LWDA by sending the PAGA Notice on July 2, 2021 (LWDA Case No. LWDA-CM-836815-21). On September 13, 2021, Plaintiff submitted an Amended PAGA Notice to the LWDA adding two additional alleged employers, Samir Abraham aka Sam Abraham and Suhad Abraham aka Sue Preston. Defendants deny these individuals are employers.

2.4 On November 28, 2022, the Parties participated in an all-day mediation presided over by Jeffrey Krivis, Esq. which led to this Agreement to settle the Action.

2.5 Class Counsel has conducted a thorough investigation into the facts of the Action, including extensive informal discovery and exchange of a volume of documents and information, which included and was not limited to a production of a sampling of information/data for the putative class members to allow Plaintiff to perform an analysis and valuation of all claims. Prior to mediation the Parties exchanged information and documents to investigate the veracity, strength, and scope of the claims, and to allow analysis and evaluation of the claims and Defendants' defenses thereto. The Class Representative has vigorously prosecuted this case, and Defendants have vigorously contested it. The Court has not granted class certification in the Action.

2.6 Without any admission of wrongdoing or liability by Defendants, it is the intention and agreement of the Parties to settle and dispose of, fully and completely, the Released Claims against the Released Parties (defined herein).

2.7 This Agreement is subject to the occurrence of the Effective Date of the Stipulation and Settlement of Class, Collective, and Representative Action.

2.8 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement, except *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC.

2.9 Plaintiff represents that she is older than forty years of age.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 4.1 below, Defendants promise to pay the total gross amount of Seven Hundred Fifty Thousand Dollars and Zero Cents ($750,000.00) and no more as the Gross Settlement Amount, not including employer-side payroll taxes. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated herein. The Claims Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2 Payments from the Gross Settlement Amount. The Claims Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiff. Class Representative Service Payment to the Class Representative of not more than Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00) to Plaintiff (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and Aggrieved Employee) in exchange for a general release of all claims, including a California Civil Code section 1542 waiver. Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Claims Administrator will retain the remainder in the Net Settlement Amount for distribution on a pro rata basis to Participating Class Members. The Claims Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment. A reduction of the Class Representative Service Payment shall not be grounds to nullify this Agreement.

3.2.2 To Class Counsel. A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be Two Hundred Sixty Two Thousand Five Hundred Dollars and Zero Cents ($262,500.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents ($20,000.00). Defendants will not oppose a request for the payment provided that the request does not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Claims Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Claims Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments. A reduction of the Class Counsel Fees Payment and/or Class Counsel Expenses Payment shall not be grounds to nullify this Agreement.

3.2.3 To the Claims Administrator. A Claims Administrator Expenses Payment not to exceed Nine Thousand Dollars and Zero Cents ($9,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than Nine Thousand Dollars and Zero Cents ($9,000.00), the Claims Administrator will retain the remainder in the Net Settlement Amount for distribution on a pro rata basis to Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Ten Percent (10%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholdings and will be reported on an IRS W-2 Form. Ninety Percent (90%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest, penalties, and other non-wage damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees. PAGA Penalties in the amount of Fifty Thousand Dollars and Zero Cents to be paid from the Gross Settlement Amount, with 75% ($37,500.00), allocated to the LWDA PAGA Payment and 25% ($12,500.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Claims Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (i.e., $12,500.00) by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of each Aggrieved Employee's pay periods worked during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Claims Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. The Claims Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT DATA, FUNDING AND PAYMENTS.

4.1 Escalator Clause. S & S Coastal Foods, LLC estimates the number of work weeks during the Class Period to be approximately 24,000 at the time of mediation. S & S Coastal Foods, LLC shall certify that the number of Workweeks that have accrued for all Class Members during the Settlement Class Period does not exceed 27,000 Workweeks. Should the actual number of work weeks worked by the Class Members during the Class Period ultimately increase by more than 12.5% (i.e., by more than 3,000 Workweeks), Defendants shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of work weeks worked by the Class Members above 12.5%. For example, if the number of work weeks increases by 13.5%, the Gross Settlement Amount will increase by 1%. Alternatively, Defendants may, at their sole discretion, elect to end the release period at the payroll period prior to the completion of 27,000 Workweeks worked collectively by the Class Members, in which no increase will be triggered and no additional amount is required to be paid. Defendants shall confirm the number of Workweeks at issue two (2) weeks in advance of Plaintiff's filing the motion for preliminary approval to confirm whether the number of Workweeks increased by more than 12.5%.

4.2 Class Data. Not later than fifteen (15) business days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Claims Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Claims Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Claims Administrator employees who need access to the Class Data to effect and perform under this Agreement.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Claims Administrator no later than sixty (60) days following the Effective Date. The Settlement Administrator shall deposit the settlement payment into federally insured bank accounts (i.e., FDIC) so that all money held by the settlement administrator is in federally insured bank accounts.

4.4 Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendants fund the Gross Settlement Amount, the Claims Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 Distribution of Settlement Payments and Class Notice. The Claims Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than one-hundred eighty (180) calendar days after the date of mailing) when the check will be voided. The Claims Administrator will cancel all checks not cashed by the void date. The Claims Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Claims Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Claims Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Claims Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 Class Member Address Search. The Claims Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a United States Postal Service ("USPS") forwarding address. Within seven (7) calendar days of receiving a returned check the Claims Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Claims Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Claims Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 Uncashed Settlement Checks. Any checks issued by the Claims Administrator to Class Members will be negotiable for one-hundred eighty (180) calendar days. After one-hundred eighty (180) calendar days from the date of mailing, the checks shall become null and void. Funds associated with cancelled checks shall be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq*., to be held in trust for those Participating Class Members and/or Aggrieved Employees who did not timely cash their Settlement checks. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as all payments to the Participating Class Members and Aggrieved Employees will be paid out, whether or not these individuals cash their Settlement checks. Therefore, Defendants will not be required to pay any interest on such amounts.

4.4.4 Unaffected Benefits. The Individual Class Payments and Individual PAGA Payments made to Class Members and Aggrieved Employees under this Settlement, and any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members and Aggrieved Employees may be eligible, including, but not limited to, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

5. RELEASE.

5.1 **Plaintiff's Released Claims.** As a condition of receiving any portion of the Class Representative Service Payment, Plaintiff shall fully and finally release the Released Parties from any and all claims, known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, including but not limited to claims arising from or related to Plaintiff's employment with Defendants and Plaintiff's compensation while an employee of Defendants. Plaintiff's Released Claims include, but are not limited to, all claims asserted in, arising from, or related to the Action, to include but not limited to the Released PAGA Claims and Released Class Claims. Plaintiff's Released Claims include all claims for unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time wages and interest; failure to properly calculate the regular rate of pay and associated claims; wages related to alleged illegal time rounding; failure to pay wages at least twice each calendar month; failure to timely pay wages; failure to timely pay final wages; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; reimbursement for all necessary business expenses, including work-related cell-phone expenses and car mileage for work-related travel; payment for all hours worked, including off-the-clock work; failure to provide accurate itemized wage statements; deductions; failure to keep accurate records; failure to provide suitable seating; failure to maintain temperature providing reasonable comfort; unlawful deductions and/or withholdings from wages; unfair business practices; suitable seating; penalties, including, but not limited to, recordkeeping penalties, wage statement and payroll reporting penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. Plaintiff's Released Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204, 204.1, 204.2, 206, 210, 216, 218, 218.5, 218.6, 221, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 247.5, 248.5, 256, 450, 510, 511, 512, 515, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1197.2, 1198, 1198.5, 2698 *et seq*., 2699 *et seq*., 2802, and 2804); all claims arising under: the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 (PAGA); California Business and Professions Code section 17200, *et seq*.; the California Civil Code, to include sections 3287, 3336 and 3294; 8 CCR §§ 3203, 11070, 11090, 11100; California Code of Civil Procedure § 1021.5; all state and local ordinances related to COVID-19; the California common law of contract; the FLSA, 29 U.S.C. §§ 201, *et seq*.; 29 CFR 778.223; 29 CFR 778.315; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. §§ 1001, *et seq*. (ERISA). Plaintiff's Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, (as amended) 42 U.S.C. § 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), the Age Discrimination in Employment Act (ADEA), and the California Fair Employment and Housing Act (FEHA); and the law of contract and tort. This release excludes the release of claims not permitted by law.

Plaintiff's Released Claims include all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that Plaintiff now knows or believes to be true with respect to the subject matter of Plaintiff's Released Claims, those claims will remain released and forever barred. Thus, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

Additionally, as a condition of receiving the Class Representative Service Payment, Plaintiff agrees to promptly initiate and seek the full dismissal, withdrawal and/or closure of all claims, grievances, charges or causes of action now pending against Defendants, in any forum, including but not limited to union, administrative or judicial forum and/or under any collective bargaining agreement, with the exception of those claims(s) in the Action, which are subject to the Agreement, and will be disposed of in accordance with the terms and conditions of the Agreement and related court orders. To the full extent permitted by law, Plaintiff irrevocably and absolutely agrees that Plaintiff will not prosecute nor allow to be prosecuted on Plaintiff's behalf, in any administrative agency, whether federal or state, or in any court, whether federal or state, any claim or demand of any type related to the matters released above, it being the intention of the Parties that with the execution by Plaintiff of this release, Defendants and all of the Released Parties will be absolutely, unconditionally and forever discharged of and from all obligations to or on behalf of Plaintiff related in any way to the matters discharged herein. Plaintiff represents and warrants that, as of the date Plaintiff signs this Agreement, Plaintiff has no charges, complaints, filings, claims or lawsuits of any kind pending against Defendants or any of the Released Parties other than the Action. Plaintiff will not directly or indirectly participate, assist, or cooperate in any lawsuit or complaint in a court of law against the Released Parties, including any class and/or representative action, with the exception of the Action, which is subject to this Agreement, unless and to the extent required or compelled by law. Plaintiff also covenants and agrees that, to the full extent permitted by law, Plaintiff hereby waives and releases any and all rights or claims Plaintiff may have to any proceeds or awards to which Plaintiff may be entitled under any claims brought on Plaintiff's behalf against any of the Released Parties by any other person or entity. Nothing in this Agreement will prohibit Plaintiff from (a) complying with any valid subpoena or court order, or (b) cooperating with any official investigation conducted by a government or law enforcement agency.

Plaintiff represents that she is older than forty years of age. Plaintiff acknowledges that she is knowingly and voluntarily waiving and releasing any rights she may have under the Age Discrimination in Employment Act ("ADEA"). Plaintiff also acknowledges that the consideration given in this agreement for the waiver and release is $1,000.00 of the Class Representative's Payment and is in addition to anything of value to which she was already entitled. Plaintiff further acknowledges that she has been advised of this in writing, as required by the Older Workers' Benefit Protection Act, that: (a) her waiver and release does not apply to any rights or claims that may arise after the ADEA Effective Date (defined below) of this agreement; (b) she should consult with an attorney prior to executing this agreement; (c) she alone has at least twenty-one (21) days to consider the waiver and release of any rights she may have under the ADEA (although she may execute this agreement earlier) and in the event Plaintiff should decide to execute this agreement in fewer than 21 days, Plaintiff has done so with the express understanding that Plaintiff has been given and declined the opportunity to consider the waiver and release of her rights under the ADEA for a full 21 days; (d) she has seven (7) days following her execution of this agreement to revoke the waiver and release of any rights she may have under the ADEA; (e) this waiver and release of rights that Plaintiff may have under the ADEA shall not be effective until the date upon which the revocation period has expired (the "ADEA Effective Date"). Plaintiff may revoke this waiver and release of rights that Plaintiff may have under the ADEA only by giving written notice of her revocation to Beth Kahn and Matthew Richardson of Musick, Peeler & Garrett LLP via electronic mail addressed to b.kahn@musickpeeler.com and m.richardson@musickpeeler.com, to be received by no later than the end of the day on the seventh day following Plaintiff's execution of this agreement. In the event Plaintiff revokes, she will not receive the amount allocated herein for any potential claim arising under the ADEA and all claims other than those arising under the ADEA remain released.

5.1.1 No Conditional Payments Made By Medicare to Plaintiff. Plaintiff expressly acknowledges Medicare's statutory right to recovery of conditional payments for medical treatment and medical service rendered in connection with any illness or injury suffered by Plaintiff in the course of Plaintiff's employment with Defendants, and guarantees that Plaintiff is not a Medicare Beneficiary, and there are no outstanding Medicare or Medicaid claims or rights of recovery of conditional payments based on Plaintiff's application for, or receipt of, Medicare or Medicaid benefits. This specifically includes benefits arising out of or in any way connected with, directly or indirectly, the facts and/or allegations that form the basis of the Action, the occurrences described herein, and any consequences thereof. Additionally, Plaintiff warrants, represents, and guarantees that Plaintiff has no medical expenses arising out of or in any way connected with, directly or indirectly, the facts and/or allegations that form the basis of the Action, the occurrences described herein, and any consequences thereof, including any of Plaintiff's released claims, nor does Plaintiff anticipate any medical expenses arising out of or in any way connected with, directly or indirectly, the facts and/or allegations that form the basis of the Action, the occurrences described herein, and any consequences thereof, including any released claims. In the event Medicare asserts such a claim or right of reimbursement now, or at any point in the future, all such claims or rights of reimbursement shall be satisfied from among the proceeds of this settlement, and no additional monies shall ever be requested from or paid by the Released Parties. This settlement is based upon a good faith determination of the Parties to resolve disputed claims. The Parties have not shifted responsibility of medical treatment to Medicare in contravention of 42 U.S.C. § 1395y(b). The Parties resolved this matter in compliance with both state and federal law. The Parties made every effort to adequately protect Medicare's interest and incorporate such into the settlement terms. The Parties acknowledge and understand that any present or future action or decision by the Centers for Medicare & Medicaid Services ("CMS") or Medicare on this Agreement, or Plaintiff's eligibility or entitlement to Medicare or Medicare payments, will not render this release void or ineffective, or in any way affect the finality of this Agreement.

5.2 **Released PAGA Claims.** As of the date of the Order Granting Final Approval, and only after the Settlement has been fully funded by Defendants, each Aggrieved Employee, the State of California, and Plaintiff are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the complaint or any amended complaint in *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC and the Action, and PAGA Notice provided to the LWDA pursuant to Labor Code section 2699.3, subd. (a), including but not limited to, claims involving any alleged (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period

Premiums), (3) Violation of Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), and (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), as well as claims arising under Labor Code sections 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, *et seq*., 1198.5, 1199, 2698, *et seq*., 2699, *et seq*., 2699(a), (c), (f)(2), (g)(1), 2699.3, 2699.5, 2800, and 2802, the Industrial Welfare Commission Wage Orders, including inter alia, IWC Wage Order no. 5, and California Code of Regulations Title 11050.

5.3 **Released Class Claims.** As of the date of the Order Granting Final Approval, and only after the Settlement has been fully funded by Defendants, Participating Class Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release and discharge Released Parties, from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the complaint or any amended complaint in *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC and the Action, including, but not limited to, claims involving any alleged (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), and (9) Violation of Business & Professions Code section 17200, *et seq*., as well as claims arising under Labor Code sections 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, *et seq*., 1198.5, 1199, 2698, *et seq*., 2699, *et seq*., 2699.3, 2699.5, 2800, and 2802, Code of Civil Procedure sections 382, 1021.5, Business & Professions Code section 17200, *et seq*., the California Constitution, Article VI, Section 10, California Code of Regulations Title 11050, and the Industrial Welfare Commission Wage Orders, including inter alia, IWC Wage Order no. 5.

6. ADMINISTRATION OF TAXES.

6.1 Tax Treatment of Individual Class Payments. The Individual PAGA Payments will be allocated as 100% penalties and reported on an IRS-Form 1099. All Individual Class Payments will be allocated as follows: ten percent (10%) of each Individual Class Payment will be allocated as wages and ninety percent (90%) will be allocated as non-wages. The portion allocated to wages will be reported on an IRS Form W-2 and the portion allocated to non-wages will be reported on an IRS Form-1099 by the Claims Administrator. The Individual Class Payments will be reduced by any required legal deductions for each Class Member. All standard employee payroll deductions will be made for state and federal withholding taxes, including any other applicable payroll deductions owed by the Class Members as a result of the wage component, resulting in a net wage component. The Claims Administrator will issue a check and W-2 Form to each Class Member for the wage component. The Claims Administrator will issue a second check and IRS Form-1099 for the remaining non-wages component. No withholding shall be made on the non-wages portion of the Individual Class Payment. The Claims Administrator shall be responsible for issuing the payments and calculating and withholding all required state and federal taxes. The Claims Administrator shall determine the eligibility for, and the amounts of, any Individual Class Payments under the terms of this Settlement Agreement. Any disputes not resolved by the Claims Administrator concerning the administration of the Settlement will be resolved by the Court, under the laws of the State of California.

Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity of involving the Court.

6.2 Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Class Members are not relying on any statement, representation, or calculation by Defendants or by the Claims Administrator in this regard. Plaintiff and Class Members understand and agree they will be solely responsible for the payment of their share of any taxes and penalties assessed on the payments described herein.

6.3 CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS SETTLEMENT 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 SETTLEMENT 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 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

7. MOTION FOR PRELIMINARY APPROVAL. Class Representative and Class Counsel agree to prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

7.1 Defendants' Declaration in Support of Preliminary Approval. Ten (10) calendar days before the filing of the Motion for Preliminary Approval, Class Counsel will prepare and deliver to Defense Counsel draft declarations for Defendants and Defense Counsel disclosing that there are no actual or potential conflicts of interest with the Claims Administrator, as Defendants and Defense Counsel have no interest or relationship, financial or otherwise, with the Claims Administrator other than a professional relationship arising out of prior experiences administering settlements. In their declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement, except *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC. Defendants and Defense Counsel will provide the signed declarations before Plaintiff's deadline to file the Motion for Preliminary Approval.

7.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel for review prior to filing all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Claims Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Claims Administrator; (v) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Claims Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

7.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement (or per Code should there be no hearing dates within prompt timeframe and Plaintiff reserves the first available hearing date available to the Court); obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Claims Administrator.

8. SETTLEMENT ADMINISTRATION.

8.1 Selection of Claims Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Claims Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Claims Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2 Employer Identification Number. The Claims Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

8.3 Qualified Settlement Fund. The Claims Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8.4 Notice to Class Members.

8.4.1 No later than three (3) business days after receipt of the Class Data, the Claims Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

8.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen

(14) calendar days after receiving the Class Data, the Claims Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Claims Administrator shall update Class Member addresses using the National Change of Address database.

8.4.3 Not later than three (3) business days after the Claims Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Claims Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Claims Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Claims Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

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

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

8.5 Requests for Exclusion (Opt-Outs).

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

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

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

8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA Payment.

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

8.7 Objections to Settlement.

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

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

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

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

8.8.1 Website, Email Address and Toll-Free Number. The Claims Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for

Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Claims Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Claims Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) business days after the expiration of the deadline for submitting Requests for Exclusion, the Claims Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

8.8.3 Weekly Reports. The Claims Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Claims Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

8.8.4 Workweek and/or Pay Period Challenges. The Claims Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Claims Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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

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

9. DEFENDANTS' RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% (ten percent) of the total of all Class Members, Defendants may, but are not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than ten (10) business days after the Claims Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

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

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will try to expeditiously work together in good faith to try to address the Court's concerns by revising the Agreement if possible to obtain Final Approval and/or agree to attend mediation again in an effort to reach a settlement that can be approved by the Court. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Claims Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 Nullification Of Agreement. In the event: (i) the Court does not enter the Preliminary Approval Order and approve the Released Claims specified herein; (ii) the Court does not finally approve the Settlement as provided herein; (iii) Defendants exercise their option to nullify the Settlement Agreement based on an excessive number of opt-outs, as described in the above Section; or (iv) the Settlement does not become final for any other reason (e.g., an objection by the LWDA), this Settlement Agreement shall be null and void. A reduction of the Attorneys' Fees and Costs and/or any Class Representative Service Payment shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning, and the Stipulations and Recitals contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any fees already incurred by the Claims Administrator shall be paid equally by both Parties (except if Defendants nullify per section 9). The Parties agree that they will cooperate and take all steps necessary in order to obtain preliminary and/or final approval in the event that the Court raises issues or questions about this Settlement or anything pertaining to this Settlement (including, but not limited to, the motion for final approval).

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

10.5 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Costs Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

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

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law. However, defendants may submit this Settlement Agreement in another proceeding to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this Settlement Agreement.

12.2 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Defendants agree not to obtain waivers or *Pick Up Stix* agreements from the Class Members during the Settlement approval process and will work in good faith to reach an agreement approved by the Court.

12.3 Confidentiality. Neither Plaintiff nor Plaintiff's Counsel shall issue any press releases, initiate any contact with the press, respond to any press inquiry, post on any internet websites, or have any communication with the press about *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC and the Action, and/or the fact, amount or terms of the Settlement. Before the date of the filing of the motion for preliminary approval of the Settlement, the Class Representative and settlement class counsel will not initiate any contact with Covered Class Members or anyone else about the Settlement, except that: (a) settlement class counsel, if contacted by a Covered Class Member, may respond that a settlement has been reached and that the details will be communicated in a forthcoming Court-approved notice; and (b) the Class Representative, if contacted by a Covered Class Member, may respond only that the Covered Class Member should contact settlement class counsel. If the Class Representative or Class Counsel violates this section of this Agreement, including without limitation, by making a disclosure to any non-party that (a) a settlement has been reached; or (b) any of the terms of the settlement, before the Court has preliminarily approved the Settlement, Defendants may rescind the settlement, rendering it null and void. This Settlement shall not be advertised or mentioned on any source, including Plaintiff's Counsel's personal or firm website(s).

12.4 Neutral Employment Reference. Defendants agree that they will adopt a neutral reporting policy regarding any future employment reference related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendants' employment of Plaintiff, Defendants shall only provide Plaintiff's dates of employment and job titles during employment. Defendants shall not refer to this Action or this Settlement.

12.5 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.6 Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

12.7 Contractual Terms. Each term of this Agreement is contractual and not merely a recital.

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

12.9 Representation Regarding Assignments. Plaintiff represents that Plaintiff has not assigned Plaintiff's rights to any other person or entity.

12.10 Modifications. The Parties agree that the provisions of this Agreement may not be modified by any subsequent agreement unless the modifying agreement is: (i) in writing; (ii) specifically references this Agreement; (iii) signed by Plaintiff; and (iv) signed and approved by Defendants.

12.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

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

12.13 Exhibits Incorporated by Reference. The terms of this Settlement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement are an integral part of the Settlement.

12.14 Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic signatures (e.g., DocuSign), facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument. The Parties expressly agree to the use of authorized electronic signature (e.g., DocuSign).

12.15 Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of Jeffrey Krivis, Esq. (mediator) to resolve such disagreement.

12.16 Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action 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 Settlement. In addition, mediator Jeffrey Krivis, may, at his discretion, execute a declaration supporting the Settlement, and the Court may, in its discretion, contact Jeffrey Krivis to discuss the Settlement, and whether the Settlement is fair and reasonable.

12.17 Captions. The captions and section and paragraph headings in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

12.18 Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

12.19 Enforcement Action. If one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action.

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

12.21 Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement and that this

Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

12.22 Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation for certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either: (a) a class action should be certified or (b) Defendants are liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

12.23 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or legal holiday, such date or deadline shall be on the first business day thereafter.

12.24 Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this Settlement Agreement, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law. Plaintiff, and not Plaintiff's representative(s), must personally execute this Settlement Agreement.

12.25 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Claims Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Claims Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.26 No Third-Party Beneficiaries. There are no third-party beneficiaries who are to be benefited or who may enforce the terms of this Agreement.

12.27 W-4 and W-9 Forms. Plaintiff and Class Counsel agree to provide a completed and signed W-4 form from Plaintiff and W-9 forms from Plaintiff and Class Counsel to Defense Counsel.

12.28 Miscellaneous. The Parties have full authority to enter into this Agreement and to be bound by it. The Parties are voluntarily entering into this Agreement free of any duress or coercion. This Agreement may be executed by the Parties in any number of counterparts, which are defined as duplicate originals, all of which taken together shall be construed as one document. A signature by facsimile on this Agreement shall be as legally binding as an original signature. This Agreement shall be construed and governed by the laws of the State of California.

PLEASE READ CAREFULLY.

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

The Settlement Agreement consists of 24 *pages with signatures appearing below.*

PLAINTIFF Reyna Sanchez Nava

Signature: ______________________ Date: ______________________

DEFENDANT S & S Coastal Foods, LLC

Print Name: Sam Abraham Date: 5/28/2024

Title: Manager

Signature: DocuSigned by: [signature] 0C2FA05BD01E44D...

Defendant Samir Abraham A.K.A. Sam Abraham

Signature: DocuSigned by: [signature] 0C2FA05BD01E44D... Date: 5/28/2024

Defendant Suhad Abraham A.K.A. Sue Preston

Signature: DocuSigned by: Sue Preston 6BBFDA4605B9426... Date: 5/31/2024

12.28 Miscellaneous. The Parties have full authority to enter into this Agreement and to be bound by it. The Parties are voluntarily entering into this Agreement free of any duress or coercion. This Agreement may be executed by the Parties in any number of counterparts, which are defined as duplicate originals, all of which taken together shall be construed as one document. A signature by facsimile on this Agreement shall be as legally binding as an original signature. This Agreement shall be construed and governed by the laws of the State of California.

PLEASE READ CAREFULLY.

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

The Settlement Agreement consists of 24 *pages with signatures appearing below.*

PLAINTIFF Reyna Sanchez Nava

DocuSigned by:

Signature: ________ B86A68A5652E467... Date: 5/24/2024

DEFENDANT S & S Coastal Foods, LLC

Print Name: ______________________ Date: ______________________

Title: ______________________

Signature: ______________________

Defendant Samir Abraham A.K.A. Sam Abraham

Signature: ______________________ Date: ______________________

Defendant Suhad Abraham A.K.A. Sue Preston

Signature: ______________________ Date: ______________________

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Nava v. S & S Coastal Foods, LLC, et al.
Los Angeles County Superior Court, Case No. 21STCV34779
Orange County Superior Court, Case No. 30-2021-01216425-CU-OE-CXC

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

To: All current and former non-exempt employees of S & S Coastal Foods, LLC, Samir Abraham aka Sam Abraham, and/or Suhad Abraham aka Sue Preston who worked in the state of California at any time between August 12, 2017, and June 15, 2022.

BASIC INFORMATION

1. What Is This Settlement About?

A lawsuit was commenced by Reyna Sanchez Nava ("Plaintiff"), an alleged former employee of S & S Coastal Foods, LLC. The other defendants are Samir Abraham aka Sam Abraham, and Suhad Abraham aka Sue Preston ("Defendants") (collectively with Plaintiff, the "Parties"), on August 12, 2021. Thereafter Plaintiff filed a separate lawsuit wherein Plaintiff added a cause of action under the Private Attorneys General Act of 2004 ("PAGA"). On September 21, 2021, Plaintiff filed her complaint under PAGA (the "Lawsuits").

The Lawsuits claim that Defendants violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wage for all time worked, did not keep accurate and complete payroll records, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the PAGA. The Lawsuits allege that Defendants violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties, and restitution. Defendants deny all alleged violations and denies that they owe Class Members any remedies. The Court has not made a ruling on the merits of the Lawsuits.

Defendants vehemently deny the Class Representative's allegations. Defendants adamantly deny each, every, and all of the allegations of the lawsuit, and maintains that it complied with all California wage and hour laws, such that the Class Representative cannot properly recover any damages including but not limited to civil penalties under California law. Although Defendants deny these allegations, Defendants have chosen to resolve the matter based upon the terms and conditions set forth in the Class, Collective, and Representative Settlement Agreement and Class Notice ("Settlement Agreement" or "Settlement"). The Court will determine whether or not to grant final approval of the Settlement.

2. Why Is This A Class Action?

In a class action, one or more people called the Class Representative (in this case, Reyna Sanchez Nava) sue on behalf of people who appear to have similar claims. All these people are referred to here as Class Members. In a class action, the court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Los Angeles County Superior Court ("Court") is in charge of this class action.

3. Why Is There A Settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement, which is memorialized in the Settlement Agreement.

On ____________________, the Court granted preliminary approval of the Settlement, appointed Plaintiff Reyna Sanchez Nava as the Class Representative, and appointed her attorneys at Protection Law Group, LLP as counsel for the Class ("Class Counsel"). The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How Do I Know If I Am Part Of The Settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendants as a non-exempt employee in the State of California at any time between August 12, 2017, to June 15, 2022 (the "Class Period").

You are part of the Settlement, and a PAGA Member, if you were employed by Defendants as a non-exempt employee in the State of California at any time between July 2, 2020, to June 15, 2022 (the "PAGA Period").

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What Does The Settlement Provide?

The Settlement provides that Defendants will pay a maximum amount of Seven Hundred and Fifty Thousand Dollars ($750,000.00) ("Gross Settlement Amount"). This includes all costs and attorneys' fees for Class Counsel.

The "Net Settlement Amount" is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

A. **Attorneys' Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or Three Hundred and Fifteen Thousand Dollars ($262,500.00);

B. **Litigation Costs/Expenses to Class Counsel** not to exceed Thirty Thousand Dollars ($20,000.00);

C. **Enhancement Payment to the Class Representative** in an amount not to exceed Seven Thousand Five Hundred Dollars ($7,500.00) for Plaintiff Reyna Sanchez Nava;

D. **Settlement Administration Costs** in an amount not to exceed Nine Thousand Dollars ($9,00.00); and

E. **PAGA Penalties** in the amount of Seventy-Five Thousand Dollars ($50,000.00) for the settlement of claims arising under PAGA. Seventy-five percent (75%) of this amount ($37,500.00) shall be paid to the California Labor and Workforce Development Agency ("LWDA"). The remaining twenty-five percent (25%) of this amount ($12,500.00) will be distributed to PAGA Members.

The amount you are eligible to receive from the Settlement, your "Individual Settlement Payment" will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly paid non-exempt employee of Defendants between August 12, 2017, to June 15, 2022 ("Workweeks"). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Penalties.

1. Your Individual Settlement Payment will be apportioned as ten percent (10%) wages; ninety percent (90%) shall be allocated as interest. The wage portion of the Individual Settlement Payment will be subject to tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and will be reported on a W-2 Form. The employee payroll taxes on the wage portion of Individual Settlement Payments shall be deducted from the Net Settlement Amount. The penalties and interest portions of each Class Member's settlement payment shall be subject to all authorized and required withholdings other than the tax withholdings customarily made to an employee's wages and will be reported on an IRS Form 1099. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

You worked XXX Workweeks during the Class Period. Your Individual Settlement Payment is $XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted, if any, required tax withholdings, and the terms of the Court's final order approving the Settlement.

You worked XXX Pay Periods during the PAGA Period. Your estimated share of the PAGA Penalties is $XXX.XX.

The Individual Settlement Payment was determined based on Defendants' records of your employment between August 12, 2017, to June 15, 2022, and is presumed correct. Your PAGA Penalties were determined based on Defendants' records of your employment between July 2, 2020, to June 15, 2022. If you dispute the accuracy of Defendants' records as to the number of Workweeks worked during the Class Period or Pay Periods during the PAGA Period, provide any documentation you have supporting such dispute by [RESPONSE DEADLINE]. All disputes regarding your Workweeks and Pay Periods will be resolved and decided by the Settlement Administrator subject to review by the Court. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No.
[Fax No.]

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How Can I Get A Payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What Am I Giving Up If I Do Not Request To Be Excluded From The Settlement?

Upon the complete funding of the Gross Settlement Amount, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely, valid request for exclusion will release the "Released Parties" from the "Released Class Claims" that arose during the "Class Period."

The "Released Parties" include S & S Coastal Foods, LLC, Samir Abraham aka Sam Abraham, and Suhad

Abraham aka Sue Preston, and all of their respective current and former partners, parents, subsidiaries, predecessors and successors, joint employers, and their affiliated entities, franchisors, and each of their respective owners, officers, directors, managing agents, exempt-employees, partners, shareholders, and agents, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, and claims representatives.

The "Released Class Claims" include all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the complaint or any amended complaint in *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC and the Action, including, but not limited to, claims involving any alleged (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), and (9) Violation of Business & Professions Code section 17200, *et seq*., as well as claims arising under Labor Code sections 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, *et seq*., 1198.5, 1199, 2698, *et seq*., 2699, *et seq*., 2699.3, 2699.5, 2800, and 2802, Code of Civil Procedure sections 382, 1021.5, Business & Professions Code section 17200, *et seq*., the California Constitution, Article VI, Section 10, California Code of Regulations Title 11050, and the Industrial Welfare Commission Wage Orders, including inter alia, IWC Wage Order no. 5.

The "Class Period" during which the release of Released Class Claims pertains is from August 12, 2017, to June 15, 2022.

All Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all Released Class Claims arising under PAGA with respect to all of the Released Parties irrespective of whether a Class Member submits a request for exclusion.

The "Released PAGA Claims" means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the complaint or any amended complaint in *Nava v. S & S Coastal Foods, LLC, et al.*, Orange County Superior Court Case No. 30-2021-01216425-CU-OE-CXC and the Action, and PAGA Notice provided to the LWDA pursuant to Labor Code section 2699.3, subd. (a), including but not limited to, claims involving any alleged (1) Violation of Labor Code sections 510 and 1198 (Unpaid Overtime), (2) Violation of Labor Code sections 226.7 and 512(a) (Unpaid Meal Period Premiums), (3) Violation of Labor Code section 226.7 (Unpaid Rest Period Premiums), (4) Violation of Labor Code sections 1194, 1197 and 1197.1 (Unpaid Minimum Wages), (5) Violation of Labor Code sections 201, 202 and 203 (Final Wages Not Timely Paid), (6) Violation of Labor Code sections 204 and 210 (Wages Not Timely Paid During Employment), (7) Violation of Labor Code section 226(a) (Failure to Provide Accurate Wage Statements), and (8) Violation of Labor Code section 2800 and 2802 (Failure to Reimburse Necessary Business Expenses), as well as claims arising under Labor Code sections 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, *et seq*., 1198.5, 1199, 2698, *et seq*., 2699, *et seq*., 2699(a), (c), (f)(2), (g)(1), 2699.3, 2699.5, 2800, and 2802, the Industrial Welfare Commission Wage Orders, including inter alia, IWC Wage Order no. 5, and California Code of Regulations Title 11050.

The "PAGA Period" during which the release of the Released PAGA Claims pertain is from July 2, 2020, to June 15, 2022.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Class Claims (other than those which arise under the PAGA (California Labor Code sections 2698, *et seq.*), then you must submit a request for exclusion in conformity with the requirements set forth herein. <u>If you exclude yourself, you will not receive payment from the Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Penalties because a request for</u>

exclusion does not apply to the PAGA claim.

8. How Can I Not Participate In The Settlement?

If you do not wish to take part in the Class Settlement, you must submit a written request for exclusion to the Settlement Administrator by no later than [RESPONSE DEADLINE]. You must include your name, address, telephone number and the last four digits of your social security number. Your request for exclusion must also include a statement that you do not wish to be included in this action. There is no specific language required to opt-out, but you may state something similar to the following: "I wish to exclude myself from the class action settlement reached in the matter of *Nava v. S & S Coastal Foods, LLC, et al.* I understand that by excluding myself I will not receive money from the class settlement."

The written request for exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [RESPONSE DEADLINE]. You cannot exclude yourself by phone.

[Settlement Administrator]
[Address]
[Telephone No.]
[Fax No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims (except for Released PAGA Claims that arise under the PAGA (California Labor Code sections 2698 *et seq.*)).

If you ask to be excluded, you may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Released Class Claims (except for Released PAGA Claims that arise under the PAGA (California Labor Code sections 2698, *et seq.*).

9. If I Don't Exclude Myself, Can I Sue Defendant For The Same Thing Later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and the other Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I Exclude Myself, Can I Get Money From This Settlement?

No. You will not receive money from the Net Settlement Amount. If you worked between August 12, 2017, to June 15, 2022, you will still receive a share of the PAGA Penalties as an opt-out request does not apply to the PAGA claim.

THE LAWYERS REPRESENTING THE PROPOSED CLASS

11. Do I Have A Lawyer In This Case?

The Court has approved PROTECTION LAW GROUP, LLP as Class Counsel. The firm's contact information is as follows:

PROTECTION LAW GROUP, LLP
Heather Davis

Amir Nayebdadash
Susan Huerta
Brendan J. Burton
Shadi Sahebghalam
149 Sheldon Street
El Segundo, California 90245
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to thirty-five percent of the Gross Settlement (estimated to be $262,500.00) and reimbursement of litigation costs/expenses of up to $20,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How Do I Tell The Court If I Don't Like The Settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [RESPONSE DEADLINE]. Your objection must include (i) your full name, current address, and signature; (ii) a clear reference to the Lawsuits; and (iii) a statement of the specific reasons why you believe the Settlement is unfair or why you object to the Settlement. All objections shall be signed by the objecting Class Member or the Class Member's legally authorized representative. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What Is The Difference Between Objecting And Excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When And Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold the Final Approval Hearing at ________ a.m./p.m. on [________________], before the Honorable Lia Martin, in Department 3 of the Los Angeles County Superior Court located at 111 North Hill Street, Los Angeles, California 90012.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I Have To Come To The Hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend either virtually or in-person. You may also retain your own lawyer at your expense to attend on your behalf.

The Final Approval Hearing may be postponed without further notice to Settlement Class members. Any changes to the date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website at (http://.com).

16. How Will I Learn If The Settlement Was Approved?

A notice of final judgment will be posted on the Settlement Administrator's website located at www.__________.com.

IF YOU DO NOTHING

17. What Happens If I Do Nothing At All?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or the other Released Parties about the Released Class Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there via https://www.sco.ca.gov/upd_msg.html.

GETTING MORE INFORMATION

18. How Do I Get More Information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at _______________ or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What If My Contact Information Changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.

AVISO DE PROPUESTA DE ACUERDO DE DEMANDA COLECTIVA

Nava v. S & S Coastal Foods, LLC, et al.
Tribunal Superior del Condado de Los Ángeles, Caso No. 21STCV34779
Tribunal Superior del Condado de Orange, Caso No. 30-2021-01216425-CU-OE-CXC

ESTE ES UN AVISO AUTORIZADO POR EL TRIBUNAL. NO ES UNA SOLICITUD.
POR FAVOR, LEA ATENTAMENTE ESTE AVISO.
SUS DERECHOS LEGALES SE VEN AFECTADOS, YA SEA QUE ACTÚE O NO ACTÚE.

Para: Todos los empleados actuales y anteriores no exentos de S & S Coastal Foods, LLC, Samir Abraham, alias Sam Abraham, y/o Suhad Abraham, alias Sue Preston, que trabajaron en el estado de California en cualquier momento entre el 12 de agosto de 2017 y el 15 de junio de 2022.

INFORMACIÓN BÁSICA

1. ¿De qué se trata este acuerdo?

Una demanda fue iniciada por Reyna Sánchez Nava ("Demandante"), una supuesta ex empleada de S & S Coastal Foods, LLC. Los otros demandados son Samir Abraham, alias Sam Abraham, y Suhad Abraham, alias Sue Preston ("Demandados") (colectivamente con el Demandante, las "Partes"), el 12 de agosto de 2021. A partir de entonces, el demandante presentó una demanda por separado en la que el demandante agregó una causa de acción en virtud de la Ley de Fiscales Generales Privados de 2004 ("PAGA"). El 21 de septiembre de 2021, la demandante presentó su demanda en virtud de PAGA (las "Demandas").

Las demandas afirman que los demandados violaron secciones del Código Laboral de California y el Código de Negocios y Profesiones de California. Específicamente, el Demandante alega que los Demandados no proporcionaron períodos de comida y descanso que cumplían con las normas ni pagaron las primas de las pausas para comer y descansar, no pagaron adecuadamente las horas extras de los empleados ni pagaron el salario mínimo por todo el tiempo trabajado, no mantuvieron registros de nómina precisos y completos, no proporcionaron declaraciones de salarios precisas, no pagaron oportunamente todos los salarios durante el empleo y todos los salarios adeudados al finalizar el empleo, no reembolsó a los empleados los gastos comerciales y mantuvo prácticas comerciales desleales. El acuerdo también busca recuperar las multas de conformidad con la PAGA. Las Demandas alegan que los Demandados violaron el Código Laboral de California y el Código de Negocios y Profesiones de California, lo que otorga a los Miembros del Grupo el derecho, *entre otras cosas*, a daños y perjuicios, sanciones y restitución. Los demandados niegan todas las presuntas violaciones y niegan que les deban a los Miembros del Grupo ningún recurso. El Tribunal no se ha pronunciado sobre el fondo de las demandas.

Los demandados niegan vehementemente las acusaciones del Representante del Grupo. Los demandados niegan rotundamente todas y cada una de las alegaciones de la demanda, y sostienen que cumplió con todas las leyes de salarios y horas de California, de modo que el Representante de la Demanda Colectiva no puede recuperar adecuadamente ningún daño, incluidas, entre otras, las sanciones civiles según la ley de California. Aunque los Demandados niegan estas acusaciones, los Demandados han optado por resolver el asunto basándose en los términos y condiciones establecidos en el Acuerdo de Conciliación Colectiva, Colectiva y Representativa y la Notificación de la Demanda Colectiva ("Acuerdo de Conciliación" o "Acuerdo"). El Tribunal determinará si otorga o no la aprobación final del Acuerdo.

2. ¿Por qué se trata de una demanda colectiva?

En una demanda colectiva, una o más personas llamadas la Representante de la Clase (en este caso, Reyna Sánchez Nava) demandan en nombre de personas que parecen tener reclamos similares. Todas estas personas se denominan aquí Miembros de la Clase. En una demanda colectiva, el tribunal resuelve los problemas de todos los Miembros del Grupo en una demanda, excepto para aquellos que se excluyen del Grupo. El Tribunal Superior del Condado de Los Ángeles ("Tribunal") está a cargo de esta demanda colectiva.

3. ¿Por qué hay un acuerdo?

El Tribunal no ha fallado a favor del Demandante o de los Demandados. En cambio, ambas partes acordaron un acuerdo, que se conmemora en el Acuerdo de Conciliación.

El ____________________, el Tribunal otorgó la aprobación preliminar del Acuerdo, designó a la Demandante Reyna Sánchez Nava como Representante del Grupo y designó a sus abogados en Protection Law Group, LLP como abogados del Grupo ("Abogados del Grupo"). El Representante del Grupo y los Abogados del Grupo piensan que el Acuerdo es lo mejor para el Grupo.

¿QUIÉNES ESTÁN EN EL ACUERDO?

4. ¿Cómo sé si soy parte del acuerdo?

Usted es parte del Acuerdo, y Miembro del Grupo, si fue empleado por los Demandados como empleado no exento en el Estado de California en cualquier momento entre el 12 de agosto de 2017 y el 15 de junio de 2022 (el "Período de la Clase").

Usted es parte del Acuerdo, y Miembro de PAGA, si fue empleado por los Demandados como empleado no exento en el Estado de California en cualquier momento entre el 2 de julio de 2020 y el 15 de junio de 2022 (el "Período de PAGA").

LOS BENEFICIOS DEL ACUERDO: LO QUE OBTIENE

5. ¿Qué establece el acuerdo?

El Acuerdo establece que los Demandados pagarán un monto máximo de Setecientos Cincuenta Mil Dólares ($750,000.00) ("Monto Bruto del Acuerdo"). Esto incluye todos los costos y honorarios de los abogados de los Abogados del Grupo.

El "Monto Neto del Acuerdo" es la parte del Monto Bruto del Acuerdo que estará disponible para su distribución a los Miembros del Grupo que no presenten solicitudes de exclusión oportunas y válidas a cambio de la liberación de sus reclamaciones colectivas. El Monto Neto de la Liquidación es el Monto Bruto de la Liquidación menos los siguientes montos (que están sujetos a la aprobación del Tribunal):

A. **Los honorarios de los abogados de la clase no** deben exceder el 35% del monto bruto del acuerdo o trescientos quince mil dólares ($ 262,500.00);

B. **Costos/Gastos de Litigio para los Abogados del Grupo que** no excedan los Treinta Mil Dólares ($20,000.00);

C. **Pago de mejora al Representante de la Clase** por un monto que no exceda los siete mil quinientos dólares ($7,500.00) para la demandante Reyna Sánchez Nava;

D. **Costos de Administración del Acuerdo** por un monto que no exceda los Nueve Mil Dólares ($9,00.00); y

E. **Multas de PAGA** por la cantidad de setenta y cinco mil dólares ($50,000.00) para la liquidación de reclamaciones que surjan bajo PAGA. El setenta y cinco por ciento (75%) de esta cantidad ($37,500.00) se pagará a la Agencia de Trabajo y Desarrollo de la Fuerza Laboral de California ("LWDA"). El veinticinco por ciento (25%) restante de esta cantidad ($12,500.00) se distribuirá a los miembros de PAGA.

El monto que usted es elegible para recibir del Acuerdo, su "Pago Individual del Acuerdo", se determinará de manera *prorrateada*, en función de la cantidad de semanas que trabajó en California como empleado no exento pagado por hora de los Demandados entre el 12 de agosto de 2017 y el 15 de junio de 2022 ("Semanas laborales"). Su Pago de Liquidación Individual incluye tanto su parte estimada del Monto Neto de la Liquidación como, si es elegible, su parte de las Multas de PAGA.

1. Su Pago de Liquidación Individual se prorrateará como el diez por ciento (10%) de salario; El noventa por ciento (90%) se asignará como interés. La porción salarial del Pago del Acuerdo Individual estará sujeta a las retenciones de impuestos que habitualmente se realizan de los salarios de un empleado y todas las demás retenciones autorizadas y requeridas, y se informará en un Formulario W-2. Los impuestos sobre la nómina de los empleados sobre la parte salarial de los Pagos de Liquidación Individual se deducirán del Monto Neto de la Liquidación. Las multas y las porciones de intereses del pago de liquidación de cada Miembro del Grupo estarán sujetas a todas las retenciones autorizadas y requeridas, aparte de las retenciones de impuestos que se realizan habitualmente a los salarios de un empleado, y se informarán en un Formulario 1099 del IRS. Los Pagos Individuales de PAGA se cuentan como multas en lugar de salarios para fines fiscales. El Administrador reportará los Pagos Individuales de PAGA en los Formularios 1099 del IRS.

Trabajaste XXX semanas laborales durante el período de clase. Su Pago de Liquidación Individual es $XXX.XX. El monto del pago puede cambiar dependiendo de la cantidad de solicitudes oportunas y válidas de exclusiones presentadas, si las hubiera, las retenciones de impuestos requeridas y los términos de la orden final del Tribunal que aprueba el Acuerdo.

Trabajó XXX Períodos de Pago durante el Período PAGA. Su participación estimada de las multas de PAGA es de $XXX.XX.

El Pago del Acuerdo Individual se determinó en función de los registros de los Demandados de su empleo entre el 12 de agosto de 2017 y el 15 de junio de 2022, y se presume correcto. Sus multas de PAGA se determinaron en función de los registros de los demandados de su empleo entre el 2 de julio de 2020 y el 15 de junio de 2022. Si impugna la exactitud de los registros de los Demandados en cuanto a la cantidad de semanas laborales trabajadas durante el Período de la Demanda Colectiva o los Períodos de Pago durante el Período de PAGA, proporcione cualquier documentación que tenga que respalde dicha disputa antes del [FECHA LÍMITE DE RESPUESTA]. Todas las disputas relacionadas con sus Semanas de Trabajo y Períodos de Pago serán resueltas y decididas por el Administrador del Acuerdo, sujeto a revisión por parte del Tribunal. La información de contacto del Administrador del Acuerdo se enumera a continuación:

[Administrador del Acuerdo]
[Dirección]
[Nº de teléfono.
[Fax No.]

CÓMO OBTENER UN PAGO DEL ACUERDO

6. ¿Cómo puedo obtener un pago?

No tiene que hacer nada para calificar para el pago de su parte del Acuerdo.

7. ¿A qué estoy renunciando si no solicito ser excluido del acuerdo?

Una vez finalizada la financiación completa del Monto Bruto del Acuerdo, a cambio de la contraprestación establecida por el Acuerdo, los Miembros del Grupo que no presenten una solicitud de exclusión válida y oportuna liberarán a las "Partes Exoneradas" de las "Reclamaciones Colectivas Exoneradas" que surgieron durante el "Período del Grupo".

Las "Partes Exoneradas" incluyen a S & S Coastal Foods, LLC, Samir Abraham, alias Sam Abraham, y Suhad Abraham, alias Sue Preston, y a todos sus respectivos socios, matrices, subsidiarias, predecesores y sucesores, empleadores conjuntos y sus entidades afiliadas, franquiciadores, y cada uno de sus respectivos propietarios, funcionarios, directores, agentes gerentes, empleados exentos, socios, accionistas y agentes. y cualquier otro sucesor, heredero, cesionario o representante legal, cualquier abogado, asegurador y representante de reclamaciones.

Las "Reclamaciones Colectivas Exoneradas" incluyen todas las reclamaciones que se alegaron, o que razonablemente podrían haberse alegado, sobre la base de los hechos del Período Colectivo establecidos en la demanda o cualquier demanda enmendada en *Nava v. S & S Coastal Foods, LLC, et al.*, Caso del Tribunal Superior del Condado de Orange No. 30-2021-01216425-CU-OE-CXC y la Acción, incluidas, entre otras, reclamaciones que involucren cualquier supuesta (1) Violación de las secciones 510 y 1198 del Código Laboral (Horas extras no pagadas), (2) Violación de las secciones 226.7 y 512(a) del Código Laboral (Primas por períodos de comidas no pagadas), (3) Violación de la sección 226.7 del Código Laboral (Primas por períodos de descanso no pagadas), (4) Violación de las secciones 1194, 1197 y 1197.1 del Código Laboral (Salarios Mínimos No Pagados), (5) Violación de las secciones 201, 202 y 203 del Código Laboral (Salarios Finales No Pagados A Tiempo), (6) Violación de las Secciones 204 y 210 del Código Laboral (Salarios No Pagados Oportunamente Durante el Empleo), (7) Violación de la Sección 226(a) del Código Laboral (Falta de Proporcionar Declaraciones de Salarios Precisas), (8) Violación de las secciones 2800 y 2802 del Código Laboral (Falta de reembolso de los gastos comerciales necesarios), y (9) Violación de la sección 17200 y siguientes del Código de Negocios y Profesiones, así como las reclamaciones que surjan en virtud de las secciones 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198 *y siguientes*, 1198.5, 1199, 2698 *y siguientes*, 2699, *et seq*., 2699.3, 2699.5, 2800 y 2802, Código de Procedimiento Civil, secciones 382, 1021.5, Código de Negocios y Profesiones, sección 17200 *y siguientes*, la Constitución de California, Artículo VI, Sección 10, Código de Regulaciones de California Título 11050, y las Órdenes Salariales de la Comisión de Bienestar Industrial, incluida, entre otras, la Orden Salarial Nº 5 de la CBI.

El "Período de la Clase" durante el cual se aplica la liberación de las Reclamaciones Colectivas Liberadas es del 12 de agosto de 2017 al 15 de junio de 2022.

Se considerará que todos los Miembros del Grupo han liberado, liquidado, comprometido, renunciado y descargado de manera completa, definitiva y para siempre, todas y cada una de las Reclamaciones Colectivas Exoneradas que surjan en virtud de PAGA con respecto a todas las Partes Exoneradas, independientemente de si un Miembro del Grupo presenta una solicitud de exclusión.

Las "Reclamaciones de PAGA Liberadas" se refieren a todas las reclamaciones por multas de PAGA que se alegaron, o razonablemente podrían haberse alegado, sobre la base de los hechos del Período de PAGA establecidos en la queja o cualquier queja enmendada en *Nava v. S & S Coastal Foods, LLC, et al.*, Caso del Tribunal Superior del Condado de Orange No. 30-2021-01216425-CU-OE-CXC y la Acción, y la Notificación de PAGA proporcionada a la LWDA de conformidad con la sección 2699.3, subd. (a), incluyendo, pero no limitado a, reclamos que involucren cualquier presunta (1) Violación de las secciones 510 y 1198 del Código Laboral (Horas Extras No Pagadas), (2) Violación de las secciones 226.7 y 512(a) del Código Laboral (Primas del Período de Comida No Pagadas), (3) Violación de la sección 226.7 del Código Laboral (Primas del Período de Descanso No Pagado), (4) Violación de las secciones 1194, 1197 y 1197.1 del Código Laboral (Salarios Mínimos No Pagados), (5) Violación de las secciones 201, 202 y 203 del Código Laboral (Salarios finales no pagados a tiempo), (6) Violación de las secciones 204 y 210 del Código Laboral (Salarios no pagados a tiempo durante el empleo), (7) Violación de la sección 226(a) del Código Laboral (Falta de proporcionar declaraciones de salarios precisas) y (8) Violación de las secciones 2800 y 2802 del Código Laboral (Falta de reembolso de los gastos comerciales necesarios), así como las reclamaciones que surjan en virtud de las secciones 201, 202, 203, 204, 204(a), 210, 210(b), 218, 221, 226, 226(a), (e), (g), 226.3, 226.7, 226.7(b), 510, 512, 512(a), 558, 1174(d), 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, *et seq*., 1198.5, 1199, 2698, *et seq*., 2699, et seq., 2699(a), (c), (f)(2), (g)(1), 2699.3, 2699.5, 2800 y 2802, las Órdenes Salariales de la Comisión de Bienestar Industrial, incluidas, entre otras, la Orden Salarial n.º 5 de la CBI y el Título 11050 del Código de Regulaciones de California.

El "Período de PAGA" durante el cual se aplica la liberación de las Reclamaciones de PAGA Liberadas es del 2 de julio de 2020 al 15 de junio de 2022.

EXCLUIRSE DE LA LIBERACIÓN DE RECLAMACIONES QUE NO SON DE PAGA

Si desea conservar el derecho de demandar o continuar demandando a los Demandados con respecto a las Reclamaciones Colectivas Exoneradas (que no sean las que surjan en virtud de la PAGA (Código Laboral de California, secciones 2698 *y siguientes.*), entonces debe presentar una solicitud de exclusión de conformidad con los requisitos establecidos en este documento. <u>Si se excluye, no recibirá el pago del Monto Neto de Liquidación. Sin embargo, si es elegible, aún recibirá un pago por un monto igual a su parte prorrateada estimada de las Multas de PAGA porque una solicitud de exclusión no se aplica a la reclamación de PAGA.</u>

8. ¿Cómo puedo no participar en el acuerdo?

Si no desea participar en el Acuerdo Colectivo, debe presentar una solicitud de exclusión por escrito al Administrador del Acuerdo a más tardar el [FECHA LÍMITE DE RESPUESTA]. Debe incluir su nombre, dirección, número de teléfono y los últimos cuatro dígitos de su número de seguro social. Su solicitud de exclusión también debe incluir una declaración de que no desea ser incluido en esta acción. No se requiere un lenguaje específico para optar por no participar, pero puede declarar algo similar a lo siguiente: "Deseo excluirme del acuerdo de demanda colectiva alcanzado en el asunto de *Nava v. S & S Coastal Foods, LLC, et al.* Entiendo que al excluirme no recibiré dinero del acuerdo colectivo".

La solicitud de exclusión por escrito debe enviarse por correo al Administrador del Acuerdo a la dirección que se indica a continuación, con matasellos de [FECHA LÍMITE DE RESPUESTA]. <u>No puedes excluirte por teléfono</u>.

[Administrador del Acuerdo]
[Dirección]
[Nº de teléfono.]
[Fax No.]

Si solicita ser excluido, no recibirá el pago de ninguna parte del Monto Neto de la Liquidación y no podrá objetar la Liquidación. Usted <u>no</u> estará legalmente obligado por la liberación de las Reclamaciones Colectivas Exoneradas (excepto las Reclamaciones PAGA Exoneradas que surjan en virtud de las secciones 2698 y siguientes del Código Laboral de California *)*.)).

Si solicita ser excluido, es posible que pueda demandar a los Demandados y/o a las Partes Exoneradas o continuar con cualquier demanda que tenga pendiente contra los Demandados o las Partes Exoneradas, con respecto a las Reclamaciones Colectivas Exoneradas (excepto las Reclamaciones PAGA Exoneradas que surjan en virtud de las secciones 2698 y siguientes del Código Laboral de California (PAGA)).

9. Si no me excluyo, ¿puedo demandar al demandado por lo mismo más adelante?

No. A menos que presente una solicitud de exclusión, renuncia al derecho de demandar a los Demandados y a las otras Partes Exoneradas por las Reclamaciones Colectivas Exoneradas. Si tiene una demanda pendiente relacionada con las Demandas Colectivas Liberadas, hable con su abogado en esa demanda de inmediato.

10. Si me excluyo, ¿puedo obtener dinero de este acuerdo?

No. No recibirá dinero del Monto Neto de Liquidación. Si trabajó entre el 12 de agosto de 2017 y el 15 de junio de 2022, aún recibirá una parte de las multas de PAGA, ya que una solicitud de exclusión voluntaria no se aplica a la reclamación de PAGA.

LOS ABOGADOS QUE REPRESENTAN A LA CLASE PROPUESTA

11. ¿Tengo un abogado en este caso?

El Tribunal ha aprobado a PROTECTION LAW GROUP, LLP como Abogado de la Clase. La información de contacto de la empresa es la siguiente:

GRUPO DE DERECHO DE PROTECCIÓN, LLP
Heather Davis
Amir Nayebdash
Susan Huerta
Brendan J. Burton
Shaadi Sahibgalam
149 Calle Sheldon
El Segundo, California 90245
Teléfono: (424) 290-3095

Los Abogados del Grupo solicitarán al Tribunal honorarios de abogados de hasta el treinta y cinco por ciento del Acuerdo Bruto (estimado en $262,500.00) y el reembolso de los costos/gastos del litigio de hasta $20,000.00. Estos montos están sujetos a la aprobación del Tribunal y el Tribunal puede otorgar menos de estos montos.

OBJECIÓN AL ACUERDO

Puede objetar el Acuerdo o alguna parte del mismo.

12. ¿Cómo le digo al tribunal si no me gusta el acuerdo?

Si usted es un Miembro del Grupo, puede objetar el Acuerdo y puede dar las razones por las que cree que el Tribunal no debería aprobarlo. El Tribunal tendrá en cuenta sus opiniones. Para objetar, debe enviar su objeción por correo al Administrador del Acuerdo a más tardar el [FECHA LÍMITE DE RESPUESTA]. Su objeción debe incluir (i) su nombre completo, dirección actual y firma; (ii) una referencia clara a las Demandas; y (iii) una declaración de las razones específicas por las que cree que el Acuerdo es injusto o por qué se opone al Acuerdo. Todas las objeciones deberán estar firmadas por el Miembro del Grupo que objeta o por el representante legalmente autorizado del Miembro del Grupo. También puede asistir a la Audiencia de Aprobación Final el [FECHA] y presentar una objeción en ese momento, independientemente de si presentó una objeción por escrito.

13. ¿Cuál es la diferencia entre objetar y excluir?

Objetar es simplemente decirle al Tribunal que no le gusta algo del Acuerdo. Usted puede objetar solo si permanece en el Grupo. Excluirse a sí mismo es decirle al Tribunal que no desea ser parte del Acuerdo. Si se excluye, no tiene base para objetar porque el caso ya no le afecta.

LA AUDIENCIA DE EQUIDAD DE LA CORTE

El Tribunal llevará a cabo una audiencia para decidir si otorga la aprobación final del Acuerdo ("Audiencia de Aprobación Final"). Usted puede asistir, pero no tiene que asistir.

14. ¿Cuándo y dónde decidirá el tribunal si aprueba el acuerdo?

El Tribunal llevará a cabo la Audiencia de Aprobación Final a las ________ a.m./p.m. del [________________], ante la Honorable Lia Martin, en el Departamento 3 del Tribunal Superior del Condado de Los Ángeles ubicado en 111 North Hill Street, Los Ángeles, California 90012.

En esta audiencia, el Tribunal considerará si el Acuerdo es justo, razonable y adecuado, y determinará si otorga la aprobación final del Acuerdo. Si hay objeciones, el Tribunal las examinará.

15. ¿Tengo que asistir a la audiencia?

No. Si está de acuerdo con el Acuerdo, no tiene que acudir a la Corte para hablar sobre ello. Sin embargo, puede asistir de manera virtual o presencial. También puede contratar a su propio abogado a su cargo para que asista en su nombre.

La Audiencia de Aprobación Final puede posponerse sin previo aviso a los miembros del Grupo de la Conciliación. Cualquier cambio en la fecha, hora o lugar de la Audiencia de Aprobación Final se publicará en el sitio web del Administrador del Acuerdo en (http://.com).

16. ¿Cómo sabré si el acuerdo fue aprobado?

Se publicará un aviso de sentencia definitiva en el sitio web del Administrador del Acuerdo ubicado en www.___________.com.

SI NO HACES NADA

17. ¿Qué pasa si no hago nada en absoluto?

Si no hace nada, recibirá su parte del Acuerdo y renunciará a las Reclamaciones Colectivas Exoneradas. No podrá iniciar una demanda, continuar con una demanda o ser parte de cualquier otra demanda contra el Demandado o las otras Partes Exoneradas sobre las Reclamaciones Colectivas Liberadas, nunca más. Su Pago de Acuerdo Individual se le enviará por correo y seguirá siendo válido y negociable durante 180 días. Si no cobra su cheque de liquidación dentro de los 180 días, estos fondos se transferirán al Contralor del Fondo de Propiedad No Reclamada del Estado de California. A continuación, puede reclamar estos fondos desde allí a través de https://www.sco.ca.gov/upd_msg.html.

MÁS INFORMACIÓN

18. ¿Cómo puedo obtener más información?

Este aviso resume el Acuerdo propuesto. Más detalles se encuentran en el Acuerdo de Conciliación. Puede obtener una copia del Acuerdo de Conciliación consultando el acuerdo que se encuentra en el sitio web del Administrador de la Conciliación en ________________ o comunicándose con el Administrador de la Conciliación o los Abogados de la Clase.

¿QUÉ PASA SI MI INFORMACIÓN CAMBIA?

19. ¿Qué pasa si mi información de contacto cambia?

Es su responsabilidad informar al Administrador del Acuerdo de su información actualizada para garantizar la recepción de los pagos del Acuerdo o las comunicaciones relacionadas con este asunto. Puede cambiar o actualizar su información de contacto poniéndose en contacto con el Administrador del Acuerdo.

NO DIRIJA NINGUNA PREGUNTA SOBRE EL ACUERDO O EL LITIGIO AL SECRETARIO DEL TRIBUNAL O AL JUEZ.

EXHIBIT 2

PROTECTION LAW GROUP LLP

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July 2, 2021

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RE: Reyna Sanchez Nava v. S & S Coastal Foods, LLC

Dear Representative:

This office represents Ms. Reyna Sanchez Nava with respect to her claims under the California Labor Code against S & S Coastal Foods LLC ("**Employer**"). This letter is being sent simultaneously to Employer by certified mail.

Employer operates numerous franchised Jack in the Box locations throughout the state of California. Employer employed Ms. Nava from approximately 2007 to April 2021, as an hourly, non-exempt employee. During her employment with Employer, Ms. Nava has been employed as a cook and maintenance worker at Employer's location at 1201 S. Coast Hwy., Laguna Beach, CA 92651.

Ms. Nava intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, *et seq*., the Private Attorneys General Act of 2004 ("**PAGA**"). Ms. Nava is seeking penalties on behalf of herself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Employer ("**Aggrieved Employees**"). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employer violated several of California's wage and hour laws during Ms. Nava's 's employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders ("IWC Wage Order") including *inter alia*, IWC Wage Order No. 5. The claims made on behalf of Ms. Nava and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employer has engaged in numerous unlawful practices which resulted in the failure to pay Ms. Nava and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

First, Employer regularly required Ms. Nava and Aggrieved Employees to work more than eight (8) hours in a day or forty (40) hours in a workweek, but failed to pay them overtime compensation for such work. Employer also failed to provide Ms. Nava and Aggrieved Employees with adequate training as to the payment of overtime compensation, all in an effort to keep its workers uninformed as to their legal right to overtime compensation. In addition, Employer regularly required Ms. Nava and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Ms. Nava and Aggrieved Employees to: (1) respond to Employer and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift and (3) perform work after clocking out for the end of their shift. Ms. Nava and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Ms. Nava and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Ms. Nava and Aggrieved Employees to perform work off-the-clock without compensation, Employer also unlawfully edited Ms. Nava and Aggrieved Employees' time records in order to reduce or remove records of time actually worked, resulting in the systematic underpayment of wages to Ms. Nava and Aggrieved Employees, including minimum wages, straight time wages and overtime wages. Employer also failed to accurately record the actual time worked by Ms. Nava and Aggrieved Employees, which resulted in a failure to pay Ms. Nava and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employer failed to pay overtime to Ms. Nava and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employer has failed to pay Ms. Nava and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employer violated IWC Wage Order No. 5 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Ms. Nava and Aggrieved Employees will therefore seek unpaid wages; PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; compensation pursuant to Labor Code Section 1194; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employer failed to provide Ms. Nava and Aggrieved Employees with legally-compliant 30-minute meal periods. Ms. Nava and Aggrieved Employees were required by Employer to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Ms. Nava and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employer regularly required Ms. Nava and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5^{th}) hour of work, and/or to take their second meal periods after their tenth (10^{th}) hour of work. On the occasions that Ms. Nava and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Ms. Nava and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Ms. Nava and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Ms. Nava and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Ms. Nava and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employer required Ms. Nava and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to telephone calls and in-person verbal interruptions; (7) Employer automatically deducted 30-minutes of meal period time from Ms. Nava and Aggrieved Employees' time records, irrespective of whether such meal periods were actually taken or provided; and (8) Employer's policy and culture prevented Ms. Nava and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees right to receive timely, uninterrupted, and duty-free meal periods.

Ms. Nava and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 5 and California Labor Code sections 226.7, 512(a) and 1198.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employer failed to authorize and permit Ms. Nava and Aggrieved Employees to take legally-compliant 10-minute rest periods. Employer required Ms. Nava and Aggrieved Employees to work through rest periods. Ms. Nava and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Ms. Nava and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Ms. Nava and Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Ms. Nava and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Ms. Nava and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train Ms. Nava and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Ms. Nava and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Ms. Nava and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to telephone calls and in-person verbal interruptions; and (7) Employer's policy and culture prevented Ms. Nava and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees right to receive rest periods.

Ms. Nava and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 5 and California Labor Code sections 226.7, and 1198.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employer has failed to timely pay all wages earned because Ms. Nava and Aggrieved Employees were not paid all the wages they were owed including, *inter alia,* overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employer violated California Labor Code section 204(a).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Ms. Nava and Aggrieved Employees failed to include the actual hours worked, the actual gross wages earned, and the correct rates of pay, and the address of the legal entity of Employer. Accordingly, Employer violated California Labor Code section 226(a).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

Employer has failed to maintain accurate records relating to Ms. Nava and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated IWC Wage Order No. 5 and California Labor Code sections 1198.5 and 1174(d).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees 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. IWC Wage Order No. 5 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Ms. Nava and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include, but are not limited to, the purchase of non-slip shoes multiple times per year, as well as other tools and supplies required in the discharge of their duties.

Accordingly, Employer violated IWC Order No. 5 and California Labor Code sections 2800 and 2802.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

8. FAILURE TO PAY REPORTING TIME

Pursuant to California Labor Code section 1198, "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 Order No. 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, Employer failed to pay Ms. Nava 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. Nava and the other Aggrieved Employees reported to work and were furnished less than half the usual or scheduled day's work. Employer also failed to pay Ms. Nava and other Aggrieved Employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Nava 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.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

9. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Ms. Nava and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer's practices of requiring Ms. Nava and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employer failed to pay Ms. Nava and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Ms. Nava and Aggrieved Employees for meal period premiums and rest period premiums, they were owed, amongst other wages. Accordingly, Employer violated California Labor Code sections 201 and 202.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 203, 1199, and 2699(f)(2); and attorneys' fees and costs.

Therefore, on behalf of herself and the State of California and all Aggrieved Employees, Ms. Nava may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA. If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Very Truly Yours,

Heather Davis

<u>Notice provided to Employer via Certified Mail (7020 1290 0001 4025 5293)</u>
S & S COASTAL FOODS, LLC
ATTN: SAM ABRAHAM, REGISTERED AGENT FOR SERVICE OF PROCESS
63 VIA PICO PLAZA, STE 535
SAN CLEMENTE, CA 92672

<u>Notice provided to Employer via Certified Mail (7020 1290 0001 4025 5309)</u>
S & S COASTAL FOODS, LLC
34118 PACIFIC COAST HWY, STE. 3
DANA POINT, CA 92629

EXHIBIT 3

PROTECTION LAW GROUP LLP

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September 13, 2021

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https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

RE: Reyna Sanchez Nava v. S & S Coastal Foods, LLC
LWDA Case No.: LWDA-CM-836815-21

Dear Representative:

This office represents Ms. Reyna Sanchez Nava ("**Ms. Nava**") with respect to her claims under the California Labor Code against S & S Coastal Foods LLC, Samir Abraham aka Sam Abraham, and Suhad Abraham aka Sue Preston (collectively "**Employers**"). This **amended** letter is being sent simultaneously to Employers by certified mail and identifies two additional employers - Samir Abraham aka Sam Abraham, and Suhad Abraham aka Sue Preston – who were not identified in Ms. Nava's original notice dated July 2, 2021.

Employers operate numerous franchised Jack in the Box locations throughout the state of California. Employers employed Ms. Nava from approximately 2007 to April 2021, as an hourly, non-exempt employee. During her employment with Employers, Ms. Nava has been employed as a cook and maintenance worker at Employers' location at 1201 S. Coast Hwy., Laguna Beach, CA 92651.

Ms. Nava intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, *et seq*., the Private Attorneys General Act of 2004 ("**PAGA**"). Ms. Nava is seeking penalties on behalf of herself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Employers ("**Aggrieved Employees**"). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employers violated several of California's wage and hour laws during Ms. Nava's employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders ("IWC Wage Order") including *inter alia*, IWC Wage Order No. 5. The claims made on behalf of Ms. Nava and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Ms. Nava and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

First, Employers regularly required Ms. Nava and Aggrieved Employees to work more than eight (8) hours in a day or forty (40) hours in a workweek, but failed to pay them overtime compensation for such work. Employers also failed to provide Ms. Nava and Aggrieved Employees with adequate training as to the payment of overtime compensation, all in an effort to keep their workers uninformed as to their legal right to overtime compensation. In addition, Employers regularly required Ms. Nava and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Ms. Nava and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift and (3) perform work after clocking out for the end of their shift. Ms. Nava and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Ms. Nava and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Ms. Nava and Aggrieved Employees to perform work off-the-clock without compensation, Employers also unlawfully edited Ms. Nava and Aggrieved Employees' time records in order to reduce or remove records of time actually worked, resulting in the systematic underpayment of wages to Ms. Nava and Aggrieved Employees, including minimum wages, straight time wages and overtime wages. Employers also failed to accurately record the actual time worked by Ms. Nava and Aggrieved Employees, which resulted in a failure to pay Ms. Nava and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employers failed to pay overtime to Ms. Nava and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employers have failed to pay Ms. Nava and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Ms. Nava and Aggrieved Employees will therefore seek unpaid wages; PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; compensation pursuant to Labor Code Section 1194; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers failed to provide Ms. Nava and Aggrieved Employees with legally-compliant 30-minute meal periods. Ms. Nava and Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Ms. Nava and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Ms. Nava and Aggrieved

Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Ms. Nava and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Ms. Nava and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded their own purported meal period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Ms. Nava and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Ms. Nava and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Ms. Nava and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Ms. Nava and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to telephone calls and in-person verbal interruptions; (7) Employers automatically deducted 30-minutes of meal period time from Ms. Nava and Aggrieved Employees' time records, irrespective of whether such meal periods were actually taken or provided; and (8) Employers' policy and culture prevented Ms. Nava and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees right to receive timely, uninterrupted, and duty-free meal periods.

Ms. Nava and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7, 512(a) and 1198.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employers failed to authorize and permit Ms. Nava and Aggrieved Employees to take legally-compliant 10-minute rest periods. Employers required Ms. Nava and Aggrieved Employees to work through rest periods. Ms. Nava and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Ms. Nava and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they

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worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Ms. Nava and Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.,* 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Ms. Nava and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded their own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Ms. Nava and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Ms. Nava and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Ms. Nava and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Ms. Nava and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to telephone calls and in-person verbal interruptions; and (7) Employers' policy and culture prevented Ms. Nava and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees right to receive rest periods.

Ms. Nava and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7, and 1198.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employers have failed to timely pay all wages earned because Ms. Nava and Aggrieved Employees were not paid all the wages they were owed including, *inter alia,* overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Ms. Nava and Aggrieved Employees failed to include the actual hours worked, the actual gross wages earned, and the correct rates of pay, and the address of the legal entity of Employers. Accordingly, Employers violated California Labor Code section 226(a).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

Employers have failed to maintain accurate records relating to Ms. Nava and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 1198.5 and 1174(d).

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees 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. IWC Wage Order No. 5 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Ms. Nava and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include, but are not limited to, the purchase of non-slip shoes multiple times per year, as well as other tools and supplies required in the discharge of their duties.

Accordingly, Employers violated IWC Order No. 5 and California Labor Code sections 2800 and 2802.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

8. FAILURE TO PAY REPORTING TIME

Pursuant to California Labor Code section 1198, "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 Order No. 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, Employers failed to pay Ms. Nava 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. Nava and the other Aggrieved Employees reported to work and were furnished less than half the usual or scheduled day's work. Employers also failed to pay Ms. Nava and other Aggrieved Employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Nava 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.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

9. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Ms. Nava and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Ms. Nava and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Ms. Nava and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Ms. Nava and Aggrieved Employees for meal period premiums and rest period premiums, they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Ms. Nava and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 203, 1199, and 2699(f)(2); and attorneys' fees and costs.

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amir@protectionlawgroup.com
424.290.3095

Therefore, on behalf of herself and the State of California and all Aggrieved Employees, Ms. Nava may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA. If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Very Truly Yours,

Amir Nayebdadash

Notice provided to Employer via Certified Mail (7018 0680 0002 1863 9533)
S & S COASTAL FOODS, LLC
ATTN: SAM ABRAHAM, REGISTERED AGENT FOR SERVICE OF PROCESS
63 VIA PICO PLAZA, STE 535
SAN CLEMENTE, CA 92672

Notice provided to Employer via Certified Mail (7018 0680 0002 1863 9526)
S & S COASTAL FOODS, LLC
34118 PACIFIC COAST HWY, STE. 3
DANA POINT, CA 92629

Notice provided to Employer via Certified Mail (7018 0680 0002 1683 9519)
SAMIR ABRAHAM
63 VIA PICO PLAZA, STE 535
SAN CLEMENTE, CA 92672

Notice provided to Employer via Certified Mail (7020 3160 0000 7205 3770)
SUHAD ABRAHAM
63 VIA PICO PLAZA, STE 535
SAN CLEMENTE, CA 92672

Jennifer Ontiveros

From: FormAssembly <no-reply@formassembly.com> on behalf of DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Monday, September 13, 2021 3:08 PM
To: Jennifer Ontiveros
Subject: Thank you for your Amended PAGA Claim Notice Submission.

09/13/2021 03:07:29 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Amended PAGA Claim Notice

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT 4

Brendan Burton

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Thursday, July 11, 2024 6:25 AM
To: Brendan Burton
Subject: Thank you for your Other Response or Document Submission

07/11/2024 06:25:03 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Other Response or Document Submission If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm