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Attorneys for Plaintiff Terina Renee Locke,
and on behalf of all others similarly situated.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

TERINA RENEE LOCKE, individually
and on behalf of all others similarly
situated,

Plaintiff,

vs.

RIVERSIDE SANITARIUM, LLC; and
DOES 1 through 20, inclusive,

Defendants.

Case No. CIVSB2129216

*Assigned for all purposes to:
Hon. Jessica Morgan
Dept. S26*

**DECLARATION OF KRISTY R. CONNOLLY
IN SUPPORT OF MOTION FOR APPROVAL
OF PAGA SETTLEMENT**

1 I, Kristy R. Connolly, declare as follows:

2 1. I am an attorney licensed to practice law in the State of California. I am an associate
3 at Aegis Law Firm, PC (“Aegis”) and the attorney of record for Plaintiff Terina Renee Locke
4 (“Plaintiff”). The following facts are within my personal knowledge and if called as a witness, I could
5 and would competently testify thereto.

6 2. I submit this Declaration in support of Plaintiff’s Motion for Approval of Private
7 Attorneys General Act Representative Action Settlement.

8 3. On October 13, 2021, Plaintiff’s counsel sent a letter to the California Labor &
9 Workforce Development Agency (“LWDA”) via online submission and to Defendant TTX Company
10 (“Defendant”) via certified mail regarding Defendant’s alleged violations. The LWDA did not respond
11 to this notice within 65 days, indicating it did not intend to investigate, thus allowing Plaintiff to file
12 the instant lawsuit pursuant to Labor Code Section 2699.3(a)(2)(A).

13 4. On October 15, 2021, Plaintiff filed her Complaint as a proposed class action lawsuit,
14 alleging that, Defendant failed to: (1) pay minimum wages, (2) pay overtime wages, (3) provide lawful
15 meal periods or compensation in lieu thereof, (4) authorize or permit lawful rest breaks or provide
16 compensation in lieu thereof, (5) reimburse class members for Defendant’s Necessary Business
17 expenses, (6) provide accurate itemized wage statements, (7) timely pay all wages during employment,
18 (8) pay all wages timely upon separation of employment and, (9) abide by the requirements of
19 California Business and Professions Code Section 17200 *et seq.*

20 5. On December 20, 2021, Plaintiff filed a First Amended Complaint adding a claim for
21 Enforcement of the Private Attorneys General Act (“PAGA”).

22 6. Due to the presence of arbitration agreements that Plaintiff and class members
23 allegedly signed, Plaintiff dismissed her individual and class claims and proceeded on a PAGA-only
24 basis.

25 7. The Parties agreed to attend private mediation. In preparation for mediation,
26 Defendant informally produced data and documents for Plaintiff to evaluate the PAGA claims and
27 calculate the alleged exposure, including policy documents, a 15% sample of time and payroll records,
28 and a list of aggrieved employees’ dates of employment to calculate the pay periods worked. Plaintiff’s

Counsel engaged an expert to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each of the claims.

8. The parties attended mediation on April 2, 2024, with Jeffrey Ross, a respected class action and PAGA action mediator. After a full day of negotiating, the Parties agreed to a settlement amount and executed a Memorandum of Understanding with the material terms the parties had agreed to. The Parties spent the next few months negotiating the terms of the Settlement, which was finalized in June of 2024.

9. Plaintiff provided notice of the Settlement and this Motion to the LWDA on July 12, 2024.

10. The \$270,000 Gross Settlement Fund is reasonable for a group of approximately 350 employees. A penalty of \$270,000 is large enough to punish Defendant for alleged past violations and deter future violations. The settlement amount is equivalent to a penalty of about \$771 per employee. At the same time, the penalty amount is not so large as to be unjust, oppressive or confiscatory, considering the company's potential exposure explained below.

11. The Gross Settlement Amount is also reasonable in light of the facts of the foregoing action, the real risk that no PAGA penalties would be paid, and inherent risks and uncertainties associated with PAGA claims.

12. Plaintiff calculated the potential exposure at the initial violation rate of \$100.00 per pay period as follows: 9,000 x \$100.00 per pay period is \$900,000 for an estimated 9,000 pay periods. . If the Court stacked different types of penalties in each pay period, Plaintiff calculated the exposure as follows:

- a. 9,000 pay periods x \$100 per pay period x 96.2% violation rate = \$865,800.00 for rest break violations;
- b. 9,000 pay periods x \$100 per pay period x 35.3% violation rate = \$317,700.00 for meal period violations;
- c. 9,000 pay periods x \$100 per pay period x 8.4% violation rate = \$75,600 for unpaid wages for failure to pay overtime at the regular rate;

1 d. 9,000 pay periods x \$100 per pay period x 100% violation rate =\$900,000.00 for
2 wage statement penalties and;

3 e. 9,000 pay periods x \$100 per pay period x 100% violate rate= \$900,000.00 for
4 unreimbursed business expenses.

5 Defendant raised a number of arguments during settlement negotiations and provided
6 evidence that could have defeated Plaintiff's claims. For example, Plaintiff argued that Defendant
7 failed to relieve employees of duty during rest breaks due to the requirement that employees must
8 remain on premises during all rest breaks. However, Defendant argued that it has removed this on-
9 premises language from its written policies and pointed to language that provided for employees to
10 be relieved of all duties during breaks, even if they were taken on-premises. Defendant also argued
11 that employees could choose to waive their breaks, which could cause manageability problems at
12 trial as this claim would heavily rely on employee testimony. Additionally, Defendant argued that
13 Plaintiff's meal violation rate failed to take into account the signed written meal waivers and the
14 automatic payment of meal period premiums. Plaintiff also argued that Defendant failed to
15 incorporate the value of the non-discretionary bonuses into the overtime rate of pay, but Defendant
16 presented authority where courts have found that sign-on bonuses were not required to be
17 incorporated into the regular rate. Moreover, Plaintiff alleged Defendant failed to reimburse
18 necessary business expenses by requiring employees to purchase their own personal protective
19 equipment for use at work. However, Defendant responded by providing evidence that it otherwise
20 provided all personal protective equipment that would be required at work, such as masks and gowns
21 and also provided policy documents that state employees would be reimbursed for expenses
22 submitted. Finally, Plaintiff's wage statement claim was derivative of the above-mentioned claims,
23 which means she would not be able to recover any derivative penalties if she failed to prove the
24 underlying claims.

25 13. Another crucial factor in evaluating the value of a PAGA-only case is that all PAGA
26 awards are discretionary and can be reduced by the Court. Under Labor Code § 2699(e)(2), the Court
27 can reduce the PAGA penalties "if, based on the facts and circumstances of the particular case, to do
28 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." In other

1 words, were this matter to go to trial, any award granted would be at the discretion of the Court. In
2 settling this case, Plaintiff recognizes that, although he believes there would be no persuasive grounds
3 to reduce the penalties, the Court could determine otherwise and significantly reduce the PAGA
4 penalties. The wide range of potential recovery and the additional delays and risks of trial justified
5 settling for a reasonable amount of recovery.

6 14. Aegis prosecutes wage and hour cases, including class actions on behalf of employees
7 and others who have had their rights violated. Aegis, either on its own, or with co-counsel is currently
8 serving as plaintiffs' counsel of record in dozens of wage and hour and employment class action cases
9 pending in both state and federal court.

10 15. The attorneys working on this case have been appointed class counsel in many cases,
11 through both contested motions and settlement approval motions.

12 16. Aegis has litigated and successfully resolved many wage and hour class action cases
13 involving failure to pay wages and derivative Labor Code claims and penalties. *See, e.g., Bonello v.*
14 *Laboratory Express, Inc.*, San Bernardino Superior Court, Case No. CIVDS1714584 (class
15 certification granted on May 14, 2021 for all current and former couriers misclassified as
16 independent contractors on issues of inaccurate wage statements, failure to reimburse business
17 expenses, and unfair competition); *Roman, et al. v. TRM Manufacturing, Inc.*, Riverside Superior
18 Court, Case No. RIC1706458 (class certification granted on December 17, 2020 for all current and
19 former non-exempt workers' on issues of rounding, meal period, and rest period claims); *Gamboa v.*
20 *Kamran, et al.*, San Bernardino Superior Court, Case No. CIVDS1605273 (class certification granted
21 on September 16, 2019, for factory workers on issues of rounding, automatic deduction of first meal
22 period, and second meal period); *Romo, et. al, v. GMRI, Inc. d/b/a/ Olive Garden*, United States
23 District Court Central District of California, Case No. EDCV-12-0715-JLQ (class certification
24 granted for restaurant workers' rest period claims); *Sawyer v. Retail Data, LLC*, Orange County
25 Superior Court, Case No. 30-2014-00753767-CU-OE-CXC (unpaid wage and rest break claims for
26 piece rate workers); *Gonzalez v. SFFI Company, Inc., et. al*, San Bernardino County Superior Court,
27 Case No. CIV DS1504287 (unpaid wages, meal period and rest break claims for non-exempt
28 employees); *Antoine v. Riverstone Residential California, Inc., et. al*, Sacramento County Superior

1 Court, Case No. 34-2013-00155974 (rate of pay, on-call time, unpaid wage, meal period, rest break,
2 and expense reimbursement claims for non-exempt employees); *Nguyen v. Pharmerica*, Orange
3 County Superior Court, Case No. 30-2014-00716072-CU-OE-CXC (unpaid wages and
4 unreimbursed expenses for pharmacists); *Orellana v. Westlake*, Los Angeles County Superior Court,
5 Case No. BC539614 (unpaid overtime, meal period and rest break claims for call center employees);
6 *Kent v. Mountain View Child Care, Inc.*, Los Angeles County Superior Court, Case No. BC539633
7 (minimum wage, overtime, meal period, and rest break claims for hospital workers); *Durroh v. East*
8 *West Bank*, Los Angeles County Superior Court, Case No. BC528860 (overtime claims for failure
9 to include bonuses in regular rate of pay for bank workers); *O'Brien et al. v. Pizza Hut of Southeast*
10 *Kansas, Inc. et al.*, Riverside County Superior Court, Case No MCC 1301030 (meal period and
11 expense reimbursement claims for delivery drivers); *Bell v. Prime Healthcare*, Orange County
12 Superior Court, Case No. 30-2011-00475240-CU-OE-CXC (overtime claims for failure to include
13 shift premiums in regular rate of pay and failure to provide meal and rest periods to hospital
14 workers), *Grana v. Toys R US-Delaware, Inc.*, Central District of California, Case No. 2:13-cv-
15 01302-DSF-JCG (bag check claims for unpaid wages and failure to provide meal periods and rest
16 breaks to retail employees); *Mendez v. H.J. Heinz Company, L.P., et. al*, Orange County Superior
17 Court, Case No. 30-2013-00644915-CU-OE-CXC (failure to pay all wages to factory workers due
18 to rounding practice); *Fresh & Easy Wage and Hour Cases*, Los Angeles Superior Court, Cas No.
19 JCCP 4705 (failure to provide meal and rest periods to supermarket workers); *Lunsford v Stater*
20 *Bros.*, Riverside Superior Court, Case No. RIC 1104475 (failure to provide meal and rest periods to
21 supermarket workers); *Gregg v. Belo*, Riverside Superior Court, Case No. RIC 523697 (unpaid
22 wages and missed meal and rest periods due to misclassification of newspaper delivery employees);
23 *Brown v. Experian Information Solutions, Inc., et. al.*, Orange County Superior Court, Case No. 30-
24 2012-00375163 (misclassification of engineers and similar positions); *Tereth v. Shakey's USA, Inc.*,
25 Los Angeles Superior Court, Case No. BC441359 (failure to provide meal and rest periods to
26 restaurant employees); *Azurin v. Harbor Distributing LLC, et. al.*, Los Angeles Superior Court, Case
27 No. BC421392 (failure to pay overtime wages, provide meal and rest periods, reimburse business
28

1 expenses to Account Managers); *Caffero v. ABC* (failure to provide meal periods and reimburse
2 expenses of therapists).

3 17. Samuel A. Wong is a graduate of University of Pennsylvania Law School, where he
4 received his J.D. in 2001. Mr. Wong received a Bachelors of Arts in Sociology from the University
5 of California at Berkeley in 1997.

6 18. After graduation from law school in 2001, the same year in which Mr. Wong took
7 and successfully passed the California Bar Exam, Mr. Wong moved to back to Los Angeles,
8 California where he was employed at Paul Hastings, Janofsky & Walker, LLP. While working in
9 the employment department at Paul Hastings, he was involved in numerous wage and hour class
10 action lawsuits and other employment related matters.

11 19. Mr. Wong became a founding partner of Aegis Law Firm, PC in 2003, and focused
12 his practice on plaintiff's side employment work. Throughout his years of practice, Mr. Wong
13 represented and obtained successful outcomes for his clients, including awards through arbitration
14 and trial.

15 20. Mr. Wong is a member of the Orange County Bar Association, Orange County Trial
16 Lawyers Association, and California Employment Lawyers Association.

17 21. Mr. Wong was chosen by Law and Politics Magazine as a Super Lawyer Rising Star,
18 representing one of the top 2.5% of lawyers under 40 in Southern California in 2011, 2012, 2013,
19 and 2014. He was chosen by Law and Politics Magazine as a Super Lawyer in 2015, 2016, 2017,
20 and 2018. Mr. Wong was also chosen as a Top Attorney in the field of employment law by OC
21 Metro in 2014, 2015, and 2018.

22 22. Kashif Haque received his J.D. in 2001 from Washington University School of Law.
23 While in law school, Mr. Haque was a member of the Law Review Editorial Board, author of an
24 article published in the Law Review, Executive Board Member of Moot Court, and a member of the
25 Dean's List. He received a Bachelor's of Science in Business Administration from the University of
26 Central Missouri in 1998, where he was a member of the Beta Alpha Psi honors fraternity.

27 23. Since 2004, Mr. Haque has exclusively focused his practice on plaintiff's
28 employment litigation with a specific focus on wage and hour claims. Since then, he has represented

1 over 500,000 employees with their employment claims, many of which included wage and hour
2 claims. He has been appointed class counsel in approximately 100 cases and is currently litigating
3 over 150 employment wage and hour class action cases.

4 24. Mr. Haque authored a book on employment litigation strategies with West
5 Publishing and has been invited to speak on class action and wage and hour issues on numerous
6 occasions. He has spoken at seminars by the State Bar of California, California Employment
7 Lawyer's Association (CELA), Orange County Bar Association, and various other CLE providers.
8 Mr. Haque is the former Chair for the Labor and Employment Section of the Orange County Bar
9 Association. He was selected as one of the Top 50 Attorneys in Orange County by Super Lawyers
10 for 2017 and 2019. He has been a Super Lawyer for every year from 2009 to the present. OC
11 Register/Metro has selected him as one of the Top 5 Employment Lawyers in Orange County for
12 every year the list was published, from 2012 to 2018.

13 25. Jessica L. Campbell is a partner at Aegis Law Firm. Ms. Campbell was admitted to
14 the California Bar in December of 2011, and received her J.D. from Santa Clara University School
15 of Law and her B.A. from the University of California, Berkeley. Ms. Campbell has dedicated her
16 career to plaintiffs' side class actions. Ms. Campbell's experience includes successful work on class
17 action appeals, class certification motions, and class settlements. She was chosen by Law and
18 Politics Magazine as a Super Lawyer Rising Star, representing one of the top 2.5% of lawyers under
19 40 in Southern California in 2018-2021.

20 26. I am an associate at Aegis Law Firm. I was admitted to the California Bar in
21 December of 2019. I received my J.D. from Chapman University Dale E. Fowler School of Law
22 where I graduated cum laude. While in law school, I was a recipient of numerous honors, including
23 Merit Scholarships and CALI Awards, and externed for Judge Di Cesare of the Orange County
24 Superior Court. I received my B.A. from the University of California, Davis. My career at Aegis
25 Law Firm has primarily focused on the representation of employees in wage and hour action. I
26 currently bill at \$600 an hour.

27 27. In litigating this case, my office spent \$22,700.15 in litigation costs, such as filing
28 fees, expert fees, and mediation fees.

28. Attached hereto as **Exhibit 1** is a true and correct copy of the fully-executed settlement agreement between the Parties, entitled the Private Attorneys General Act Settlement Agreement and Limited Release. **Exhibit A** attached thereto is the notice to be mailed to the aggrieved employees.

29. Attached hereto as **Exhibit 2** is a true and correct copy of the PAGA notice Plaintiff sent to the LWDA and Defendant on October 13, 2021.

30. Attached hereto as **Exhibit 3** is a true and correct copy of the confirmation email my office received after submitting the proposed settlement and Motion for Approval to the LWDA.

31. Attached hereto as **Exhibit 4** is a true and correct copy of my firm's cost journal for actual costs expended on this case.

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

Executed on July 12, 2024, in Irvine, California.

Kristy Candy

Kristy R. Connolly

EXHIBIT 1

PAGA SETTLEMENT AGREEMENTⁱ

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Terina Renee Locke (“Plaintiff”) and defendant Riverside Sanitarium, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant, captioned Locke v. Riverside Sanitarium, LLC, initiated on October 15, 2021 and pending in Superior Court of the State of California, County of San Bernardino.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. "Approval Order" means the Court’s Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of San Bernardino.
- 1.9. “Defense Counsel” means Levinson Arshonsky Kurtz & Komsky, LLP.
- 1.10. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Approval Order and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

- 1.11. “Gross Settlement Amount” means \$270,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff’s Individual Settlement Payment, and the Administrator’s Expenses Payment.
- 1.12. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency.
- 1.15. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff’s Individual Settlement Payment, and the Administration Expenses Payment.
- 1.17. “PAGA Counsel” means Aegis Law Firm, PC, the attorneys representing the Plaintiff in the Action.
- 1.18. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.19. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.20. “PAGA Period” means the period from October 13, 2020 to April 1, 2024.
- 1.21. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.22. “PAGA Notice” means Plaintiff’s December 20, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.23. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

- 1.24. “Plaintiff” means Terina Renee Locke, the named plaintiff in the Action.
- 1.25. “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.
- 1.26. “Released Parties” means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. “Defendant” means Riverside Sanitarium, LLC, the named defendant in the Action.

2. RECITALS.

- 2.1. On October 15, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods, failure to permit rest breaks, failure to reimburse business expenses, failure to provide accurate itemized statements, failure to pay all wages due upon separation of employment; and Violation of Business and Professions Code §§ 17200, *et seq.* On December 20, 2021, Plaintiff filed a First Amended Complaint to add a cause of action against Defendant for Enforcement of Labor Code §2698, *et seq.* Plaintiff subsequently dismissed her individual and class claims without prejudice and proceeded with only the PAGA claim. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On April 2, 2024, the Parties participated in an all-day mediation presided over by Jeff Ross which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, policy documents, executed meal waivers, and a sample of Aggrieved Employees’ time and pay records.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$270,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiff: Plaintiff's Individual Settlement Payment to Plaintiff of \$10,000 (in addition to any Individual PAGA Payment Plaintiff is entitled to receive as an Aggrieved Employee).
- 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$90,000 and PAGA Counsel Litigation Expenses Payment of not more than \$25,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$4,750 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 \$4,750, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To the LWDA and Aggrieved Employees: The PAGA Penalties will be paid from the Gross Settlement Amount, after deducting the above amounts for PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administrator Expenses Payment, and Plaintiff's Individual Settlement Payment, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

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

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Data. Within 30 days of the Approval Order, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 45 days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff's Individual Settlement Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. A notice letter explaining why the check is being sent ("Employee Notice"), in a mutually-agreed upon form that has been approved by the Court, in substantially

the form that is attached hereto as “Exhibit A,” will be included in the mailing of each Individual PAGA Payment. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients’ mailing addresses using the National Change of Address Database.

4.3.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

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

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

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff will release claims against all Released Parties as follows:

5.1 **Plaintiff’s Release.** Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1 **Plaintiff’s Waiver of Rights Under California Civil Code Section 1542.** For

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

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, arising during the PAGA Period, including claims for (1) Failure to Pay Minimum Wages, (2) Failure to Pay Overtime Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide Rest Periods, (5) Failure to Provide Accurate Wage Statements, (6) Failure to Timely Pay All Wages During Employment and Due at Termination, (7) Failure to Reimburse Expenses, and (8) Failure to Maintain Accurate and Complete Records.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. THE PARTIES

agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement and (ii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA.
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together reasonably on behalf of the Parties by meeting in person or by telephone, and in good faith, in attempts to modify the Agreement to the extent possible and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that there are 9,000 Pay Periods worked during the PAGA Period. If the number of PAGA Pay Periods exceeds 9,000 by more than 14%, the GSA e.g. 10,260, this will increase payment on a pro rata per additional PAGA Pay Period at a rate of \$30 per additional PAGA Pay Period for each pay period that exceeds 10,260.

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

- 9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties’ obligations to perform under this Agreement will be

suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

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

10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, reasonably modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court to the extent possible. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense

Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

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

To Plaintiff: Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
jcampbell@aegislawfirm.com
Kristy Connolly
kconnolly@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

To Defendant: Levinson Arshonsky Kurtz & Komsky, LLP
James Cooper
15303 Ventura Blvd, Suite 1650
Sherman Oaks, CA 91403
jcooper@lakklawyers.com

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

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

Dated: 07/09/2024

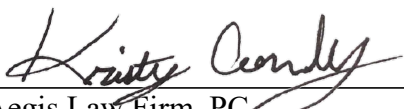
By: 
Terina Locke

Dated: _____

By: _____
Riverside Sanitarium, LLC
Title:

As to Form Only:

Dated: 7/9/2024

By: 
Aegis Law Firm, PC

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

To Plaintiff: Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
jcampbell@aegislawfirm.com
Kristy Connolly
kconnolly@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

To Defendant: Levinson Arshonsky Kurtz & Komsky, LLP
James Cooper
15303 Ventura Blvd, Suite 1650
Sherman Oaks, CA 91403
jcooper@lakklawyers.com

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

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

Dated: _____

By: _____
Terina Locke

Dated: 7/8/24

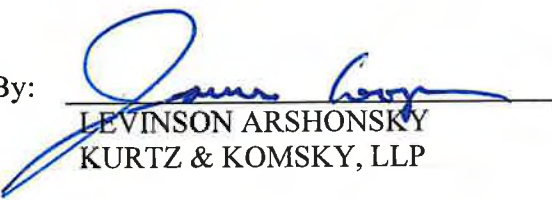
By:  _____
Riverside Sanitarium, LLC
Title:

As to Form Only:

Dated: _____

By: _____
Aegis Law Firm, PC

Dated: July 9, 2024

By: 
LEVINSON ARSHONSKY
KURTZ & KOMSKY, LLP

<<Mailing Date>>

To: <<First Name>><<Last Name>>
 <<Address>>
 <<City>> <<State>> <<Zip>>

Re: Individual PAGA Payment from *Locke v. Riverside Sanitarium, LLC*
 San Bernardino County Superior Court, Case No. CIVSB2129216

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement of a lawsuit entitled *Locke v. Riverside Sanitarium, LLC*, Case No. CIVSB2129216 (“Action”), filed in the Superior Court of California for the County of San Bernardino (“Court”).

The lawsuit was filed by Terina Locke (“Plaintiff”), a former employee of Riverside Sanitarium, LLC (“Defendant”), on behalf of the State of California with respect to herself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Defendant violated the California Labor Code by failing to properly pay all minimum and overtime wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, reimburse business expenses, provide accurate itemized wage statements, and timely pay all wages during employment and upon separation of employment.

Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendant, on behalf of Plaintiff, the State of California, and the following Aggrieved Employees: a person employed by Defendant in California and classified as a non-exempt employee who worked for Defendant at any time from October 13, 2020 to April 1, 2024. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment check) because you have been identified as an Aggrieved Employee.

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the Aggrieved Employees. Your Individual PAGA Payment is based on the total number of pay periods that you worked as an Aggrieved Employee during the period between October 13, 2020 to April 1, 2024 (the “PAGA Period”). The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

By way of the settlement, you will be deemed to release the Released Parties from the Released Claim. The “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates. The “Released Claims” means and refers to all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice, arising during the PAGA Period, including claims for (1) Failure to Pay Minimum

Wages, (2) Failure to Pay Overtime Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide Rest Periods, (5) Failure to Provide Accurate Wage Statements, (6) Failure to Timely Pay All Wages During Employment and Due at Termination, (7) Failure to Reimburse Expenses, and (8) Failure to Maintain Accurate and Complete Records.

Your Individual PAGA Payment check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the State Controller's Office Unclaimed Property Fund in your name.

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Settlement Administrator at <<INSERT CONTACT INFORMATION>>.

EXHIBIT 2



AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949.379.6250
Facsimile: 949.379.6251
www.aegislawfirm.com

October 13, 2021

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Attn: PAGA Administrator

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Agent for Service of Process for Riverside Sanitarium, LLC:
Jacob Wintner
6300 Wilshire Blvd., Ste 1800
Los Angeles, CA 90048

Re: Terina Renee Locke v. Riverside Sanitarium, LLC

Dear Labor and Workforce Development Agency; Riverside Sanitarium, LLC:

Please allow this correspondence to serve as written notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by Riverside Sanitarium, LLC ("Sanitarium") and the facts and theories in support of said allegations. This firm represents Terina Renee Locke ("Claimant"); we hereby notify you that Claimant intends to seek penalties against Sanitarium under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on Claimant's own behalf and all other aggrieved employees.

Specific Provisions of the Labor Code Allegedly Violated by Sanitarium

The specific provisions of the Labor Code allegedly violated by Sanitarium and the provisions under which Claimant submits this correspondence include the following: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

Facts and Theories Supporting the Allegations Against Sanitarium

Claimant and other aggrieved employees worked for Sanitarium in California as non-exempt employees. Claimant was employed by Sanitarium in California within the past year.

During the past year, Sanitarium failed to provide 30-minute uninterrupted meal periods within the appropriate time intervals to Claimant and other aggrieved employees as required by Labor Code section 512 and section 11 of the applicable Wage Order. Claimant and other aggrieved employees frequently worked shifts over five hours and did not receive lawful meal periods because they were interrupted during their meal periods, were required to work through their meal periods, were required to remain on call and therefore on-duty during meal periods,

and/or were not scheduled to be relieved by other employees at the appropriate intervals to receive all lawful meal periods. As a result, their meal periods were missed, late, short, and/or interrupted.

When Claimant and other aggrieved employees missed meal periods or if the meal periods were late, short, and/or interrupted, Sanitarium violated Labor Code sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees for every day in which they suffered a meal period violation.

Sanitarium failed to authorize or permit paid 10-minute rest periods for every four hours or major fraction thereof worked because Claimant and other aggrieved employees were required to work through their rest periods, were required to remain on premises and on call during rest periods, were interrupted during rest periods, were discouraged from taking their rest periods, and/or were not scheduled to be relieved by other employees at the appropriate intervals to receive all rest periods.

When Claimant and other aggrieved employees did not receive rest periods, Sanitarium violated Labor Code section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees.

Sanitarium failed to pay Claimant and other aggrieved employees at least the legal minimum wage and overtime wage for all hours worked (in violation of Labor Code sections 510, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198) due to Sanitarium's policy and practice of requiring Claimant and aggrieved employees to work off-the-clock, including but not limited to when employees were forced to undergo health screenings before clocking in. To the extent such work performed off-the-clock entitled employees to pay at the legal minimum wage rate or at the overtime rate of pay, Sanitarium failed to pay Claimant and other aggrieved all minimum and overtime wages for these hours.

Claimant and other aggrieved employees incurred necessary business-related expenses as a direct consequence of the discharge of their job duties for the benefit of Sanitarium. For example, Claimant and aggrieved employees incurred expenses associated with using their personal cell phones as required for work such as responding to texts from coworkers and managers. Additionally, Claimant and aggrieved employees were required to buy their own personal protective equipment and tools, such as face shields, gowns, and other sanitary equipment, without reimbursement. As such, Sanitarium violated Labor Code §§ 2800 and 2802 by failing to reimburse Claimant and other aggrieved employees for such expenses.

As a result of, and in addition to, these actions, Sanitarium violated Labor Code sections 226, and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates

in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, the wage statements failed to list the correct hours, rates, and pay due to the above unpaid wage violations, among other violations.

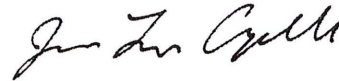
Sanitarium violated Labor Code sections 1174 and 1174.5 by failing to maintain accurate and complete records showing the hours worked daily by the aggrieved employees and the wages paid to aggrieved employees (due to the same underpayment of wages referenced above).

Furthermore, Sanitarium violated the Labor Code by failing to properly pay all these wages owed throughout aggrieved employees' employment and following the end of these workers' employment with Sanitarium due to the above violations (in violation of Labor Code sections 201, 202, 203, 204).

Based on these violations, Claimant seeks attorneys' fees, interest, and penalties under the Labor Code. Enclosed and incorporated by reference is the class action complaint Claimant intends to file on behalf of herself and all other aggrieved employees against Sanitarium. Claimant intends to amend the complaint to include a cause of action pursuant to Labor Code §§ 2698, *et seq.*, after the minimum required review period elapses and will file a conformed copy of the complaint after it has been filed with the court.

Thank you for your assistance on this matter. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very truly yours,
AEGIS LAW FIRM, PC



Jessica L. Campbell

Enclosure: Class Action Complaint

EXHIBIT 3

EXHIBIT 4

Matter Billing Detail

Aegis Law Firm, PC

Date Range: 01/01/1900 to 07/10/2024
Client: 547612 - Terina Renee Locke
Matter: 480 - Locke v. Riverside Sanitarium, LLC dba Riverside Healthcare (PAGA)

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
05/10/2021	CTC	Court Call	\$72.00		Unbilled				
10/13/2021	FF	Filing Fee - LWDA claim	\$75.00		Unbilled				
10/15/2021	FF	Summons & Complaint	\$1,578.84		Unbilled				
12/20/2021	FF	FAC	\$84.74		Unbilled				
02/16/2022	FF	Filing Fee - NAR	\$81.21		Unbilled				
02/22/2022	FF	Filing Fee - JCMCS	\$81.21		Unbilled				
03/01/2022	CTC	Court Call	\$94.00		Unbilled				
06/07/2022	FF	Filing Fee - Opp to MTC Arb	\$102.01		Unbilled				
06/20/2022	CTC	Court Call	\$94.00		Unbilled				
08/16/2022	FF	Filing Fee - Supp Opp	\$81.21		Unbilled				
09/09/2022	CTC	Court Call	\$94.00		Unbilled				
12/22/2022	FF	Filing Fee	\$1,135.46		Unbilled				
07/03/2023	FF	Filing Fee	\$86.11		Unbilled				
11/06/2023	FF	Filing Fee	\$86.11		Unbilled				
03/07/2024	MED	Mediation Services	\$12,500.00		Unbilled				
05/07/2024	EXP	Vendor: Berger Consulting Group, LLC; Date: 5/7/2024 - Expert Witness Fee-	\$4,600.00		Unbilled			996803	Berger Consulting Group, LLC
07/10/2024	CC	Cumulative Copies, Faxes, Scans, Postage	\$1,854.25		Unbilled				
		Total:	\$22,700.15	\$0.00					
		Balance:	\$22,700.15						

Matter Billing Detail

Aegis Law Firm, PC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
Total Fees Billed- - - - -			\$0.00						
Total Fees Unbilled : - - - - -			\$0.00						
Total Fees Received : - - - - -			\$0.00						
Total Soft Cost Billed : - - - - -			\$0.00						
Total Soft Cost Unbilled : - - - - -			\$0.00						
Total Soft Cost Received : - - - - -			\$0.00						
Total Hard Cost Billed : - - - - -			\$0.00						
Total Hard Cost Unbilled : - - - - -			\$22,700.15						
Total Hard Cost Received : - - - - -			\$0.00						
Total Taxes Billed : - - - - -			\$0.00						
Total Taxes Unbilled : - - - - -			\$0.00						
Total Taxes Received : - - - - -			\$0.00						
Total Late Charges Billed : - - - - -			\$0.00						
Total Late Charges Unbilled: - - - - -			\$0.00						
Total Late Charges Received : - - - - -			\$0.00						
Trust Balance: - - - - -			\$0.00						