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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

CHRISTIAN ROJAS CRUZ individually, and
on behalf of other members of the general
public similarly situated;

Plaintiff,

vs.

SENSOR SYSTEMS INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 21STCV25102

Honorable Yvette M. Palazuelos
Department SSC9

CLASS ACTION

**DECLARATION OF YASMIN
HOSSEINI IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: April 5, 2023
Time: 10:00 a.m.
Department: SSC9

Complaint Filed: July 8, 2021
Trial Date: None Set

DECLARATION OF YASMIN HOSSEINI

I, Yasmin Hosseini, hereby declare as follows:

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

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

2. Since October 2008, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, the firm is attorney of record in over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. The firm has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA

1 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
2 From approximately September 2002 to approximately December 2002, he served as a Judicial
3 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
4 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
5 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
6 Appellate District. In December of 2004, he obtained a license to practice law from the California
7 State Bar. From approximately December 2004 to approximately August 2008, he was employed
8 by Girardi & Keese. At Girardi & Keese, his practice focused on class actions and other complex
9 cases involving toxic torts and products liability. In addition, he gained substantial experience on
10 cases involving insurance bad faith, premises liability, and medical negligence. While employed
11 by Girardi & Keese, he argued approximately one hundred (100) motions, took or defended
12 approximately one hundred fifty (150) depositions, and prepared dozens of expert witnesses for
13 deposition or trial. Since in or around October of 2008, through his work at Lawyers *for* Justice,
14 PC, he has almost exclusively focused on the prosecution of consumer and employment class
15 actions, involving wage-and-hour claims, race discrimination, unfair business practices, or
16 consumer fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred
17 (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of
18 expert witnesses for deposition or trial, and attended over one hundred seventy-five (175)
19 mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-
20 counsel, he has successfully litigated cases involving the executive, administrative, and other
21 overtime exemptions to the State of California and federal overtime compensation requirements.
22 Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by
23 contested motion practice in approximately fifteen (15) cases in the last decade, and litigated over
24 1,000 class action or representative action cases.

25 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
26 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
27 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
28 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the

1 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
2 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
3 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
4 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
5 of the State of California and all United States District Courts in the State of California. He has
6 worked on many wage-and-hour class action and representative action cases, taking the lead in
7 taking and defending depositions, arguing motions, and attending mediations. He has played an
8 integral role in preparing matters for class certification, including and not limited to, successful
9 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
10 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
11 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
12 RG13680477). He has worked on over one hundred (100) class action or representative action
13 cases which have resulted in settlement, including and not limited to those listed in paragraph 7
14 herein.

15 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a
16 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
17 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
18 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
19 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
20 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
21 Court. She has taken and defended dozens of depositions and successfully handled motion practice
22 in class action cases regarding discovery (including and not limited to, regarding class contact
23 information), class certification (both contested class certification and stipulated class
24 certification), arbitration agreements, coordination, intervention. She has successfully handled
25 briefing and oral argument on appeal, and obtained notable decisions regarding the Private
26 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*
27 *Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017),
28 cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also

1 has extensive experience with class action and/or representative action settlements. Under her,
2 Edwin Aiwarzian, and Arby Aiwarzian’s supervision, the firm has handled the class certification
3 and court approval process for hundreds of class action and/or representative action matters that
4 have successfully resolved. She is a member of the California Employment Lawyers Association.

5 6. I am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Arts degree
6 from University of California, Santa Barbara in 2013 and earned my Juris Doctor degree from
7 Pepperdine University School of Law in 2017. I was admitted to practice law in California in
8 2019. I am admitted to practice before all courts of the State of California and all federal district
9 courts in the State of California. I have worked on many wage and hour class action and PAGA
10 representative matters, and my work has included, *inter alia*, researching and drafting pleadings,
11 administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement
12 agreements, engaging in motion practice, claims evaluation and analysis, and making court
13 appearances. Prior to working at Lawyers *for* Justice, PC, I represented filmmakers and talent,
14 negotiating and structuring various types of agreements on their behalf. I am a member of the
15 California Employment Lawyers Association, Beverly Hills Bar Association, and Iranian
16 American Bar Association.

17 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
18 **REPRESENTATIVE ACTION CASES**

19 7. What follows are just a few examples of the type of results Lawyers *for* Justice, PC
20 (“LFJ”) has achieved on behalf of its clients:

21 a) LFJ, in association with co-counsel therein, represented the plaintiffs in a
22 wage-and-hour class action against a major property management company involving allegations
23 of misclassification of various “manager” positions. On September 20, 2010, the court granted
24 final approval of the class action settlement. The Los Angeles County Superior Court Case
25 Number is BC400414.

26 b) LFJ, in association with co-counsel therein, represented the plaintiffs in a
27 wage-and-hour class action against a national retailer of household items involving allegations of
28 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court

1 granted final approval of the class action settlement. The Los Angeles County Superior Court
2 Case Number is BC413498.

3 c) LFJ, in association with co-counsel therein, represented the plaintiffs in a
4 wage-and-hour class action against a national property management company involving
5 allegations of misclassification of the “Property Manager” position. On May 23, 2012, the court
6 granted final approval of the class action settlement. The Los Angeles County Superior Court
7 Case Number is BC430918.

8 d) LFJ, in association with co-counsel therein, represented the plaintiffs in a
9 wage-and-hour class action against a national retailer involving allegations of misclassification of
10 the “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
11 certification. On August 26, 2013, the court granted final approval of the class action settlement.
12 The Los Angeles County Superior Court Case Number is BC424012.

13 e) LFJ, in association with co-counsel therein, represented the plaintiff in a
14 wage-and-hour class and PAGA representative action against a bank, involving allegations of
15 misclassification of the “Assistant Branch Manager” position. On August 27, 2013, the court
16 granted final approval of the class and PAGA representative action settlement. The Kern County
17 Superior Court Case Number is S-1500-CV-273194-LHB.

18 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
19 wage-and-hour class and PAGA representative action against a national wholesale distributor of
20 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
21 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
22 representative action settlement. The Sacramento County Superior Court Case Number is 34-
23 2012-00136285.

24 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
25 wage-and-hour class action against a multinational corporation that provides global workplace
26 solutions, involving allegations of misclassification of the “Operations Manager” position. On
27 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles
28 County Superior Court Case Number is BC478769.

1 h) LFJ, in association with co-counsel therein, represented the plaintiff in a
2 wage-and-hour class and PAGA representative action against a national retailer of household
3 items, on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted
4 final approval of the class and PAGA representative action settlement. The San Francisco County
5 Superior Court Case Number is CGC-13-532344.

6 i) LFJ, in association with co-counsel therein, represented the plaintiff in a
7 wage-and-hour class and PAGA action involving allegations of misclassification of the salaried
8 residential “Property Manager” position. On September 17, 2015, the court granted plaintiff’s
9 motion for class certification. On October 20, 2017, the court granted final approval of the class
10 and PAGA representative action settlement. The Los Angeles County Superior Court Case
11 Number is BC474784.

12 j) LFJ, in association with co-counsel therein, represented the plaintiffs in a
13 wage-and-hour class and PAGA representative action against a national retailer of upscale
14 hardware and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court
15 granted final approval of the class and PAGA representative action settlement. The Los Angeles
16 County Superior Court Case Numbers are BC516795 and JCCP4794, and the Judicial Council
17 Coordination Proceeding Number is 4794.

18 k) LFJ, in association with co-counsel therein, represented the plaintiffs in a
19 wage-and-hour class action against a national retailer of apparel and fashion accessories, on behalf
20 of non-exempt employees. On August 5, 2016, the court granted final approval of the class action
21 settlement. The Los Angeles County Superior Court Case Number is BC488069.

22 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
23 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
24 involving allegations of misclassification of the “Department Manager” position. On August 12,
25 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On
26 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
27 County Superior Court Case Number is RG13680477.
28

1 m) LFJ represented the plaintiff in a PAGA representative action against a real
2 estate and property management company, on behalf of non-exempt employees. On November 4,
3 2016, the court granted approval of the PAGA representative action settlement. The Orange
4 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

5 n) LFJ, in association with co-counsel therein, represented the plaintiffs in a
6 wage-and-hour class and PAGA representative action against a full-service bank, on behalf of non-
7 exempt employees. On November 18, 2016, the court granted final approval of the class and
8 PAGA representative action settlement. The San Francisco County Superior Court Case Number
9 is CJC-13-004839 and the Judicial Council Coordination Proceeding Number is 4839.

10 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
11 representative action against a foodservice distributor, on behalf of non-exempt employees. On
12 January 26, 2017, the court granted final approval of the class and PAGA representative action
13 settlement. The San Bernardino County Superior Court Case Number is CIVDS1507260.

14 p) LFJ, on behalf of the plaintiff and respondent in a PAGA representative
15 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
16 employer's motion to compel arbitration, which resulted in a published opinion by the California
17 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply* (Cal.
18 App. 4th Dist., Mar. 7, 2017) 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court
19 Docket No. 17-254). The Riverside County Superior Court Case Numbers are RIC1503952 and
20 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

21 q) LFJ, in association with co-counsel therein, represented the plaintiffs in a
22 wage-and-hour class and PAGA representative action against a consumer packaging company, on
23 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class
24 and PAGA representative action settlement. The Los Angeles County Superior Court Case
25 Number is BC590429.

26 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
27 wage-and-hour class and PAGA representative action against a manufacturer of food service
28 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final

1 approval of the class and PAGA representative action settlement. The Orange County Superior
2 Court Case Number is 30-2015-00810013-CU-OE-CXC.

3 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
4 hour class and PAGA representative action against a lumber and hardware company on behalf of
5 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
6 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
7 00747750-CU-OE-CXC.

8 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
9 representative action against a property management company, on behalf of non-exempt
10 employees. On June 14, 2017, the court granted final approval of the class and PAGA
11 representative action settlement. The Los Angeles County Superior Court Case Number is
12 BC586234.

13 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
14 representative action against a food company on behalf of non-exempt employees. On June 30,
15 2017, the court granted final approval of the class and PAGA representative action settlement. The
16 Sacramento County Superior Court Case Number is 34-2015-00175871.

17 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
18 representative action against a chocolate company on behalf of non-exempt employees. On July
19 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
20 The Alameda County Superior Court Case Number is RG15764300.

21 w) LFJ firm represented the plaintiff in a PAGA representative action, against
22 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
23 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
24 Los Angeles County Superior Court Case Number is BC569664.

25 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
26 representative action against a manufacturer of plastic containers on behalf of non-exempt
27 employees. On October 31, 2017, the court granted final approval of the class and PAGA
28

1 representative action settlement. The Los Angeles County Superior Court Case Number is
2 BC577233.

3 y) LFJ, in association with co-counsel therein, represented the plaintiffs in a
4 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt
5 employees. On December 11, 2017, the court granted final approval of the class and PAGA
6 representative action settlement. The Los Angeles County Superior Court Case Number is
7 BC569646.

8 z) LFJ, in association with co-counsel therein, represented the plaintiffs in a
9 wage-and-hour class and PAGA representative action against a property management company
10 on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court granted final
11 approval of the class and PAGA representative action settlement. The Los Angeles County
12 Superior Court Case Number is JCCP4819 and the Judicial Council Coordination Proceeding
13 Number is 4819.

14 aa) LFJ, in association with co-counsel therein, represented the plaintiffs in a
15 wage-and-hour class and PAGA representative action against a global provider of flexible office
16 space solutions. On February 15, 2018, the court granted final approval of the class and PAGA
17 representative action settlement. The Los Angeles County Superior Court Case Number is
18 BC498401.

19 bb) LFJ, in association with co-counsel therein, represents the plaintiff in a
20 wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees.
21 On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
22 County Superior Court Case Number is VCU264528.

23 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
24 representative action against a behavioral health service provider on behalf of non-exempt
25 employees. On November 13, 2018, the court granted final approval of the class and PAGA
26 representative action settlement. The Alameda County Superior Court Case Number is
27 RG16811450.
28

1 dd) LFJ, in association with co-counsel therein, represented the plaintiff in a
2 PAGA representative action against a global provider of products and services to the energy
3 industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the court
4 granted approval of the PAGA representative action settlement. The Kern County Superior Court
5 Case Number is S-1500-CV-280215-SDC.

6 ee) LFJ, in association with co-counsel therein, represents the plaintiff in a
7 wage-and-hour class action against a parking company on behalf of non-exempt employees. On
8 September 3, 2019, the court granted the plaintiff's motion for class certification and certified a
9 class. The Santa Clara County Superior Court Case Number is 16CV292208 and the Judicial
10 Council Coordination Proceeding Number is 4886.

11 ff) LFJ, in association with co-counsel therein, represents the plaintiffs in a
12 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
13 On September 27, 2019, the court granted the plaintiffs' motion for class certification in part and
14 certified a class. The Alameda County Superior Court Case Number is RG15757606 and the
15 Judicial Council Coordination Proceeding Number is 4921.

16 gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a
17 wage-and-hour class and PAGA representative action against a national retailer of apparel and
18 fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted
19 the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the
20 court granted final approval of the class and PAGA representative action settlement. The
21 Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

22 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
23 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
24 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
25 notable decision from the California Supreme Court clarifying the law and finding, in part, that
26 employer arbitration agreements are unenforceable where they block a PAGA claim from
27 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court
28

1 granted approval of the PAGA representative action settlement. The San Diego County Superior
2 Court Case Number is 34-2015-00175330.

3 ii) LFJ, in association with co-counsel therein, represents the plaintiff in a
4 wage-and-hour class and PAGA representative action against a medical equipment supplier on
5 behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion
6 for class certification and certified a class. The San Bernardino County Superior Court Case
7 Number is CIVDS1505744.

8 jj) LFJ, in association with co-counsel therein, represents the plaintiff in a
9 wage-and-hour class and PAGA representative action against a large national drug testing
10 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the
11 plaintiff's motion for class certification and certified a class. The San Diego County Superior
12 Court Case Number is 37-2018-00019611-CU-OE-CTL.

13 kk) LFJ, in association with co-counsel therein, represents the plaintiffs in a
14 wage-and-hour class and PAGA representative action against a national retailer of sportswear,
15 footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the
16 court granted in part the plaintiff's motion for class certification and certified a class. The
17 Riverside County Superior Court Case Numbers are RIC1507504 and RICJCCP4930, and the
18 Judicial Council Coordination Proceeding Number is 4930.

19 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a
20 wage-and-hour class action against manufacturer and supplier of power products and services on
21 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion
22 for class certification and certified a class. The San Diego County Superior Court Case Number is
23 37-2015-00025968-CU-OE-CTL.

24 mm) LFJ represents the plaintiff in a wage-and-hour class action against a
25 nutritional products manufacturer on behalf of non-exempt production line employees. On
26 December 13, 2021, the court granted the plaintiff's motion for class certification in part and
27 certified a class. The Solano County Superior Court Case Number is FCS051001.

28 nn) LFJ represents the plaintiff in a wage-and-hour class action against an iconic

lifestyle accessories brand and retailer on behalf of non-exempt employees. On March 15, 2022, the court granted the plaintiff's motion for class certification in part and certified a class. The San Francisco Superior Court Case Number is CGC-16-550794.

BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT

8. Marked and attached hereto as "**EXHIBIT 1**" is the Stipulation of Class Action and PAGA Settlement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiffs, on the one hand, and Defendant Sensor Systems Inc., ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their counsel have approved the proposed Notice of Class Action Settlement ("Class Notice"), which is attached to the Settlement Agreement as "**Exhibit B**" and respectfully request that the Court approve it as well. The Parties have also agreed to the form and content of the proposed First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, Cal. Labor Code § 2698, Et Seq. ("First Amended Complaint" or "Operative Complaint"), which is attached as "Exhibit A" to the [Proposed] Order Granting Approval of Class Action Settlement, filed concurrently herewith. Class Counsel respectfully requests the Court grant leave to file the First Amended Complaint so that the terms of the Settlement Agreement and the intent of the Parties may be effectuated.

9. Based on information provided by Defendant, as of July 27, 2022, the Class is estimated to consist of approximately two hundred and forty (240) individuals.

10. The effectiveness of Lawyers for Justice, PC and James Hawkins APLC ("Class Counsel") in prosecuting this matter has translated into tangible monetary benefits in the following respects: (1) Class Members, Aggrieved Employees, and the State of California recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other complex wage and hour class and/or representative action settlements of similar type given the strengths and weaknesses of the case; and (3) significant savings in attorneys' fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

11. Class Counsel has litigated the case for over one (1) year and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement

1 negotiations and participated in a formal, full-day mediation conducted by the Honorable Edward
2 A. Ferns (Ret.) a well-respected mediator experienced in mediating complex labor and
3 employment matters. Prior to and during the mediation and settlement discussions, the Parties
4 exchanged extensive class information and engaged in discussions regarding their evaluations of
5 the case and various aspects of the case, including but not limited to, the risks and delays of further
6 litigation, the risks to the Parties of proceeding with class certification and/or representative
7 adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA representative
8 actions, and wage-and-hour law and enforcement, as well as the evidence produced and analyzed,
9 and the possibility of appeals, among other things. During all settlement discussions, the Parties
10 conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement
11 that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their
12 ability to prevail on the merits and at certification, and Plaintiffs and Class Counsel believed that
13 they would be able to obtain class certification and prevail at trial. After conducting investigations,
14 informal discovery, and exchange of information, extensive settlement negotiations, and with the
15 aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for
16 settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and
17 risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and
18 adequate resolution of Plaintiffs and the Settlement Class Members' Released Class Claims, and
19 of the State of California's and Aggrieved Employees' Released PAGA Claims with respect to
20 employment of Plaintiff Chavarin and Aggrieved Employees.

21 12. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
22 and scope of the claims, and was preparing the action for class certification and trial. Class Counsel
23 conducted significant investigation and informal discovery regarding the facts of the case,
24 including and not limited to, the exchange, review, and analysis of a large volume of documents
25 and data obtained from Defendant, Plaintiffs, and other sources. The volume of data and
26 documents that Class Counsel reviewed and analyzed included and was not limited to: Plaintiffs
27 and employment records, a detailed sampling of Class Members' time and pay data, new hire
28 information checklists, Defendant's Employee Handbook, financial information (including but not

1 limited to pay statements and earning statements) company policy acknowledgements (Employee
2 Handbook Acknowledgement, Telecommunications Systems Policy, Dress Code Policy Receipt
3 Acknowledgement, Anti-Drug & Alcohol Misuse Prevention Program Policy & Procedures,
4 Personal Packages, Lockers, and Desk Inspection Consent Receipt, and Use of Gloves Policy),
5 internal memoranda, job descriptions, Defendants' operations and employment practices,
6 procedures, and policies (Meal Break Waiver) among other information and documents. Class
7 Counsel interviewed Plaintiffs and other Class Members to gather facts and circumstances
8 surrounding Plaintiffs' and putative class members' employment. Counsel for the Parties also met
9 and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings and the
10 production of documents and data prior to the mediation. Class Counsel also drafted pleadings and
11 the mediation brief and prepared for and attended court proceedings, mediation, and settlement
12 negotiations, among other tasks.

13 13. Lawyers for Justice, PC has also invested time researching and investigating the
14 applicable law, which is constantly evolving as it relates to certification, representative PAGA
15 claims, off-the-clock theory, meal and rest periods, wage-and-hour law and enforcement,
16 Plaintiffs' claims and damages, and Defendant's defenses thereto, as well as facts discovered.
17 Based on Class Counsel's analysis, the result achieved in this litigation is fair, adequate, and
18 reasonable.

19 14. The Settlement provides for a Total Settlement Amount of Nine Hundred Fifty
20 Thousand Dollars and No Cents (\$950,000.00). The Net Settlement Amount is the Total
21 Settlement Amount less the following amounts subject to approval by the Court: Enhancement
22 Payments, Settlement Administration Costs, PAGA Penalty Amount, and Attorneys' Fees and
23 Costs. Assuming that the amounts allocated under the Settlement toward these payments are
24 awarded by the Court, the Net Settlement Amount that will be available for distribution to
25 Settlement Class Members is currently estimated to be \$354,500.00. Additionally, 25% of the
26 PAGA Penalty Amount, which is \$50,000.00 out of \$200,000.00 will be distributed to Aggrieved
27 Employees on a *pro rata* basis. The Net Settlement Amount will be fully distributed in accordance
28 with the terms of the Settlement and there is no reversion to Defendant.

1 15. The Parties have agreed to retain ILYM Group, Inc., (“ILYM” or “Settlement
2 Administrator”) to handle the notice and settlement administration process. The Parties
3 respectfully request that the Court appoint ILYM Group., to handle these procedures and serve as
4 the Settlement Administrator. Defendant will provide the Settlement Administrator with a list of
5 Class Members that Defendant will compile from its records, which will include each Class
6 Member’s full name, last known mailing address, Social Security Number, dates worked for
7 Defendant during the Class Period and, if applicable, during the PAGA Period, and dates of
8 Company wide December holiday closures and full workweeks of leave of absence and full
9 workweeks of vacation neither of which were included in the calculation, and such other
10 information and data as necessary for the Settlement Administrator to independently calculate the
11 Workweeks (“Class List”), and the Settlement Administrator will calculate each Class Member’s
12 estimated share of the Net Settlement Amount (“Individual Settlement Share”) and each
13 Aggrieved Employee’s estimated share of the 25% of the PAGA Penalty Amount (“Individual
14 PAGA Payment”). The Settlement Administrator will also receive opt-outs, objections, and
15 disputes regarding Workweeks; provide necessary reports and declarations; calculate, subtract,
16 and transmit necessary taxes and withholdings; prepare and submit informational and other tax
17 filings and documents; issue and transmit all payments provided for by the Settlement, including
18 and not limited to, mailing payments to Class Members and Aggrieved Employees; and perform
19 any other usual and customary duties for administering a class action settlement. Settlement
20 Administration Costs are currently estimated not to exceed \$10,000.00 and will be paid out of the
21 Total Settlement Amount, subject to approval of the Court.

22 16. Based on investigation and information discovered, Class Counsel believes that
23 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
24 that Defendant, with respect to Plaintiffs, the Class Members, and the Aggrieved Employees, *inter*
25 *alia*, failed to properly pay overtime and minimum wages, failed to provide compliant meal and
26 rest periods and to pay associated premium pay, failed to timely pay wages during employment
27 and upon termination of employment, failed to provide compliant wage statements, failed to
28 maintain requisite payroll records, and failed to reimburse necessary business expenses, and

1 thereby engaged in unfair business practices and conduct giving rise to civil penalties recoverable
2 under the Private Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.).
3 Plaintiffs also asserted that Class Members and Aggrieved Employees were expected to perform
4 similar job duties and were subject to the same or similar operations and employment policies,
5 practices, and procedures. Additionally, Plaintiffs asserted that Defendant's recordkeeping
6 practices with respect to Plaintiffs, Class Members, and Aggrieved Employees were substantially
7 the same during the time period at issue. As a result of said alleged uniform practices, Plaintiffs
8 claim that Class Members and Aggrieved Employees were not paid all of the compensation that
9 was owed to them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome of
10 this litigation would be determined by Defendant's uniform operations and employment practices,
11 policies, and procedures that Plaintiffs allege applied across Defendant's hourly-paid or non-
12 exempt employees in California during the relevant time period.

13 17. Class Counsel is aware of the defenses and position of Defendant, but believes that
14 Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class
15 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
16 and the difficulties and delays inherent in such litigation, including those involved in class
17 certification and/or representative adjudication. Plaintiffs and Class Counsel further recognize the
18 burdens of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant's
19 defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class
20 Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the
21 mediator, who is experienced and well-regarded in complex labor and employment matters.

22 18. Defendant, on the other hand, denied and continues to deny any liability and
23 wrongdoing of any kind associated with the allegations in the lawsuit, and further denies that the
24 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
25 the Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
26 also had the opportunity to conduct investigations and gather documents and information relating
27 to Plaintiffs', Class Members', and Aggrieved Employees' employment with Defendant, and
28 Defendant's operations and employment policies, practices, and procedures. The Parties also

1 reviewed and analyzed a volume of documents and data, including but not limited to a detailed
2 sampling of Class Members' time and pay information, to determine the potential value and
3 strength of the claims. The available information enabled Class Counsel to assess and value the
4 class and PAGA claims and prepare violation, damages, and penalties analyses and models.
5 Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently
6 informed of the nature and extent of the class and PAGA claims, and to enable both sides to fully
7 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into
8 account the strengths and weaknesses of each side's position and the uncertainty of how the case
9 might have concluded at certification, trial, and/or appeals.

10 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
11 in an amount of up to thirty-five percent (35%) of the Total Settlement Amount
12 (i.e., \$332,500.00) and expenses and costs in an amount not to exceed Thirty-Three Thousand
13 Dollars (\$33,000.00), which will be paid out of the Total Settlement Amount subject to approval
14 by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
15 and will not receive any compensation until recovery is obtained.

16 20. The Settlement Agreement provides for payment of up to Ten Thousand Dollars
17 (\$10,000.00) each to Plaintiffs as enhancement payments (for a combined total of \$20,000.00), to
18 be paid out of the Total Settlement Amount subject to approval by the Court. Plaintiffs spent
19 considerable time and effort to produce relevant documents and past employment records and to
20 provide the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were
21 available whenever Class Counsel needed them, and actively tried to obtain information that would
22 facilitate the pursuit of the class and PAGA claims. Accordingly, it is appropriate and just for
23 Plaintiffs to receive enhancement payments, in addition to individual settlement payments and/or
24 individual PAGA payments, for services performed in the matter on behalf of the Class, State of
25 California, and Aggrieved Employees.

26 21. The foregoing discussion confirms that the amount of the Settlement is adequate in
27 light of Plaintiff's allegations and causes of action, the evidence at issue with respect to those
28 allegations and causes of action, and legal and factual arguments and circumstances which pose

1 challenges to certification, manageability, merits, and monetary recovery. The conclusion to be
2 drawn from the foregoing analysis is that neither class certification, manageability, liability, nor
3 the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is
4 clear-cut, which is why the Parties elected to settle this matter. Class Counsel also recognized that
5 additional discounts could be made to the risk-adjusted value to account for the costs and expenses
6 associated with further litigation and the present value of obtaining a settlement now as opposed
7 to monetary recovery, if any, that may be obtained in the future after further litigation. Class
8 Counsel recognized the circumstances and realities of the case, applicable case law and
9 regulations, and risks to recovery and applied appropriate discounts.

10 22. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
11 in the best interests of Plaintiff, the Class, Aggrieved Employees, and the State of California. Class
12 Counsel further submits that the Settlement is within an acceptable range of recovery for this type
13 of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further
14 litigation, and the costs and risks associated with class certification, representative adjudication,
15 trial, and/or appeals.

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

18 Executed on this 4th day of October 2022, at Glendale, California.

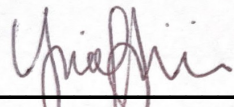
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EXHIBIT 1

1 **STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Stipulation of Class Action and PAGA Settlement (“Agreement,” “Settlement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiffs Christian Rojas Cruz and
4 Miguel Chavarin (collectively, “Plaintiffs” or “Class Representatives”), on behalf of all others similarly
5 situated and aggrieved employees, and Defendant Sensor Systems, Inc. (“Defendant”) (and collectively
6 with Plaintiffs, the “Parties”).

7 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as defined
8 herein), and the California Labor & Workforce Development Agency (the “LWDA”) with respect to the
9 Aggrieved Employees, and on Defendant, subject to the terms and conditions hereof and the approval
10 of the Court.

11 **RECITALS**

12 1. On July 8, 2021, Christian Rojas Cruz (“Plaintiff Cruz”) filed a Class Action Complaint
13 for Damages (the “Cruz Complaint”) against Defendant in the Superior Court of California for the County
14 of Los Angeles, Case No. 21STCV25102 (“Cruz Action”), alleging causes of action for violation of (1)
15 California Labor Code §§ 510 and 1198 (Failure to Pay Overtime), (2) California Labor Code §§ 226.7
16 and 512(a) (Failure to Provide Compliant Meal Periods and Associated Premiums), (3) California Labor
17 Code § 226.7 (Failure to Provide Compliant Rest Periods and Associated Premiums), (4) California Labor
18 Code §§ 1194, 1197 and 1197.1 (Failure to Pay Minimum Wages), (5) California Labor Code §§ 201 and
19 202 (Failure to Timely Pay Final Wages), (6) California Labor Code § 204 (Failure to Timely Pay Wages
20 During Employment), (7) California Labor Code § 226(a) (Failure to Provide Compliant Wage
21 Statements), (8) California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records), (9)
22 California Labor Code §§ 2800 and 2802 (Failure to Reimburse Business Expenses), and (10) California
23 Business & Professions Code § 17200, *et seq.*, on behalf of a putative class of all current and former
24 hourly-paid or non-exempt employees who worked for Defendant within the State of California at any
25 time since July 8, 2017, and putative subclasses.

26 2. On November 18, 2021, Miguel Chavarin (“Plaintiff Chavarin”) filed a Class Action
27 Complaint for Damages (the “Chavarin Complaint”) against Defendant in the Superior Court of California
28 for the County of Los Angeles, Case No. 21STCV42647 (“Chavarin Action”), alleging claims for

violation of (1) California Labor Code §§ 510 and 1194 (Failure to Pay Overtime), (2) California Labor Code §§ 226.7 and 512(a) (Failure to Provide Compliant Meal Periods and Associated Premiums), (3) California Labor Code § 226.7 (Failure to Provide Compliant Rest Periods and Associated Premiums), (4) California Labor Code §§ 1194, 1197 and 1197.1 (Failure to Pay Minimum Wages), (5) California Labor Code §§ 201 and 202 (Failure to Timely Pay Final Wages), (6) California Labor Code § 226(a) (Failure to Provide Compliant Wage Statements), (7) California Labor Code § 1174 (Failure to Keep Requisite Payroll Records), and (9) California Business & Professions Code § 17200, *et seq.*, on behalf of a putative class of all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time since July 8, 2017, and putative subclasses.

3. On November 18, 2021, Miguel Chavarin (“Plaintiff Chavarin”) also provided written notice to the LWDA and Defendant of the specific provisions of the California Labor Code that Defendant violated. On January 27, 2022, Plaintiff Chavarin filed a First Amended Class Action Complaint Pursuant to California Code of Civil Procedure § 382, adding a Private Attorneys General Act (“PAGA”) cause of action (the “*Chavarin* Complaint”).

4. On February 10, 2022, Defendant filed a Notice of Related Case and on February 17, 2022, the *Cruz* Action and the *Chavarin* Action were deemed related in Los Angeles County Superior Court, with the *Cruz* Action being the lead case (together, the *Cruz* Action and *Chavarin* Action are referred to as “Lawsuit”).

5. Defendant denies all material allegations set forth in the Lawsuit, defined below, and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Lawsuit and Released Class Claims and Released PAGA Claims (as defined herein).

6. Class Counsel in the Lawsuit diligently investigated the allegations asserted in the Lawsuit and evaluated the claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of numerous corporate policies and practices.

7. On January 26, 2022, the Parties participated in an all-day mediation with Honorable Edward A. Ferns (Ret.) (the “Mediator”), a respected mediator of complex wage and hour actions.

1 Through continued negotiations with the assistance of the Mediator’s evaluations, the Parties reached
2 the settlement that is memorialized herein. The settlement discussions were conducted at arm’s-length,
3 and the settlement is the result of an informed and detailed analysis of Defendant’s potential liability
4 and exposure in relation to the costs and risks associated with continued litigation. Based on the
5 documents produced, as well as Class Counsels’ own independent investigation and evaluation, Class
6 Counsel believe that the settlement with Defendant for the consideration and on the terms set forth in
7 this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
8 Members, the State of California, and Aggrieved Employees in light of all known facts and
9 circumstances, including the risk of significant delay and uncertainty associated with litigation and
10 various defenses asserted by Defendant.

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

15 **DEFINITIONS**

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

18 a. “Aggrieved Employees” means all current and former hourly-paid or non-exempt
19 employees of Defendant in California employed between April 5, 2020 through June 20, 2022.

20 b. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for
21 Class Counsel’s litigation and resolution of the Lawsuit, and all actual costs incurred and to be incurred
22 by Class Counsel in the Lawsuit, as set forth in Paragraph 13 below.

23 c. “Chavarin PAGA Notice” means the November 18, 2021 letter Plaintiff Chavarin
24 sent to the LWDA and Defendant, providing written notice of his intent to seek civil penalties under the
25 Private Attorneys General Act, California Labor Code section 2698, *et seq.*, for Defendant’s alleged
26 violations of California Labor Code sections 201-203, 510, 512, 558, 226, 226.3, 226.7, 1174, 1174.5,
27 1175, 1194, 1197, 1197.1, 1198, and 2698 *et seq.* and Industrial Welfare Commission Wage Orders,
28 including Wage Order No.1-2001.

d. “Class Counsel” or “Plaintiffs’ Counsel” means Edwin Aiwarzian, Arby Aiwarzian, Joanna Ghosh, and Yasmin Hosseini of Lawyers *for* Justice, PC, counsel for Plaintiff Christian Rojas Cruz, and James Hawkins and Gregory Mauro of James Hawkins, APLC, counsel for Plaintiff Miguel Chavarin, who will seek to be appointed counsel for the Class (as defined below).

e. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member’s full name, last known mailing address, Social Security Number, dates worked for Defendant during the Class Period and, if applicable, during the PAGA Period, and dates of Company wide December holiday closures and full workweeks of leave of absence and full workweeks of vacation neither of which were included in the calculation, and such other information and data as necessary for the Settlement Administrator to independently calculate the Workweeks (as defined below).

f. “Class Member(s)” or “Class” mean all current and former hourly-paid or non-exempt employees of Defendant in California employed between July 8, 2017 through June 20, 2022.

g. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as “**Exhibit B.**”

h. “Class Period” means the time period from July 8, 2017 through June 20, 2022.

i. “Class Representatives” or “Plaintiffs” mean Christian Rojas Cruz and Miguel Chavarin.

j. “Class Settlement” means the settlement and release of the Released Class Claims.

k. “Court” means the Superior Court of the State of California for the County of Los Angeles.

l. “Defendant” means Sensor Systems, Inc.

m. “Defendant’s Counsel” means Tina M. Jacquez of Soltman, Levitt, Flaherty & Wattles LLP.

n. “Effective Date” means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel;

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

o. “Enhancement Payments” mean the amount to be paid to Plaintiffs Christian Rojas Cruz and Miguel Chavarin in recognition of their efforts and work in prosecuting the Lawsuit on behalf of Class Members, as set forth in Paragraph 14 below.

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

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

r. “Individual PAGA Payment” means the payment of each Aggrieved Employee’s *pro rata* share of the 25% portion of the PAGA Penalty Amount, as provided in Paragraph 17(b).

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

t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be calculated in accordance with Paragraph 17(a).

u. “LWDA Payment” means the amount that the Parties have agreed to pay the LWDA for its seventy-five percent (75%) share of the PAGA Penalty Amount, as set forth in Paragraph

1 16.

2 v. “Net Settlement Amount” means the portion of the Total Settlement Amount that
3 is available for distribution to Settlement Class Members for the Class Settlement, which is the Total
4 Settlement Amount less the Court-approved Enhancement Payments, Settlement Administration Costs,
5 PAGA Penalty Amount, and Attorneys’ Fees and Costs.

6 w. “Notice of Objection” means a Class Member’s written objection to the Class
7 Settlement, which must include: (a) the case name and number of the Lawsuit; (b) the objector’s full
8 name, signature, address, telephone number, and the last four digits of his or her Social Security number;
9 (c) a written statement of all grounds for the objection accompanied by any legal support for such
10 objection; and (d) copies of any papers, briefs, or other documents upon which the objection is based.

11 x. “Operative Complaint” means the First Amended Class Action Complaint for
12 Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et
13 Seq., that the Parties contemplate will be filed in the *Cruz* Action to implement the Settlement, the
14 agreed upon form of which is attached hereto as “**Exhibit A.**”

15 y. “PAGA Penalty Amount” means the portion of the Total Settlement Amount that
16 the Parties have allocated toward civil penalties under PAGA, for the PAGA Settlement, as set forth in
17 Paragraph 16. From this amount, 75% will be paid to the LWDA and 25% will be distributed to Aggrieved
18 Employees.

19 z. “PAGA Period” means the period from April 5, 2020 through June 20, 2022.

20 aa. “PAGA Settlement” means the settlement and release of the Released PAGA
21 Claims.

22 bb. “Parties” means Plaintiffs and Defendant, collectively, and “Party” means either
23 Plaintiffs or Defendant.

24 cc. “Preliminary Approval” means entry of the Court order granting preliminary
25 approval of the Settlement Agreement.

26 dd. “Released Class Claims” means any and all claims under state, federal, or local
27 law, arising out of the facts alleged in the Operative Complaint, arising during the Class Period, including
28 but not limited to claims under the California Labor Code, Industrial Welfare Commission Wage Orders,

1 regulations, and/or other provisions of law for failure to pay overtime wages, failure to provide compliant
2 meal periods and associated premiums, failure to provide compliant rest periods and associated premiums,
3 failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages
4 during employment, failure to provide compliant wage statements, failure to keep requisite payroll
5 records, failure to reimburse necessary business expenses, and violation of California's unfair competition
6 law.

7 ee. "Released PAGA Claims" means any and all claims for civil penalties under the
8 Private Attorneys General Act (California Labor Code § 2698, et seq.), arising out of the facts alleged
9 in Plaintiff Chavarin's PAGA Notice, arising during the PAGA Period, for failure to pay overtime wages,
10 failure to provide compliant meal period and associated premiums, failure to provide compliant rest
11 periods and associated premiums, failure to pay minimum wages, failure to timely pay wages upon
12 termination, failure to timely pay wages during employment, failure to provide compliant wage
13 statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses.

14 ff. "Released Parties" means Defendant, and all of its present and former parent
15 companies, subsidiaries, and divisions, and their shareholders, directors, officers, agents, employees,
16 attorneys, insurers, successors, and assigns.

17 gg. "Request for Exclusion" means a Class Member's written letter indicating a
18 request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain the case
19 name and number of the Lawsuit; (b) be signed by the Class Member; (c) contain the full name, address,
20 telephone number, and the last four digits of the Social Security Number of the Class Member requesting
21 exclusion; and (d) clearly state that the Class Member does not wish to be included in the Class
22 Settlement.

23 hh. "Response Deadline" means the deadline by which Class Members must submit a
24 Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which
25 shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice by the
26 Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the
27 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The
28 Response Deadline may also be extended by express agreement between Class Counsel and Defendant's

Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days from the initial mailing of the Class Notice.

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

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

kk. “Settlement Class Members” means all Class Members who do not submit a timely and valid Request for Exclusion from the Class Settlement.

ll. “Total Settlement Amount” means the amount of nine hundred fifty thousand dollars and no cents (\$950,000.00) to be paid by Defendant in full resolution of all Released Class Claims, Released PAGA Claims, and the Lawsuit, which includes all Attorneys’ Fees and Costs, Enhancement Payments, PAGA Penalty Amount, Net Settlement Amount to be paid to the Settlement Class Members, and Settlement Administration Costs. The employer’s share of taxes on the wages portion of Individual Settlement Shares will be paid by Defendant separately and in addition to the Total Settlement Amount.

mm. “Workweeks” means the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period, which will be calculated by the Settlement Administrator based on information provided by Defendant by way of the Class List, by determining the number of workweeks paid and excluding those weeks during which the Company was closed in December and full workweeks on leave of absence and full workweeks on vacation neither of which were included in the calculation.

CLASS CERTIFICATION

10. For the purposes of this settlement only, the Parties stipulate to the certification of the

1 Class.

2 11. The Parties agree that certification for the purpose of settlement is not an admission that
3 certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever
4 reason, the Court not grant Final Approval, or if Judgment thereon not become final, the Parties'
5 stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall
6 have no bearing on, and shall not be admissible in connection with, the issue of whether or not
7 certification would be appropriate or inappropriate in a non-settlement context in this or any other
8 proceeding.

9 **TERMS OF AGREEMENT**

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

12 12. Funding of the Total Settlement Amount. Within fifteen (15) calendar days after the
13 Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts
14 to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within thirty (30) calendar
15 days of the Effective Date, Defendant will make a one-time deposit of the Total Settlement Amount,
16 along with any employer-side tax obligations associated with the Total Settlement Amount, into a
17 settlement account to be established by the Settlement Administrator. Within seven (7) calendar days of
18 the funding of Total Settlement Amount, the Settlement Administrator will issue payments due under the
19 Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement
20 Class Members; (b) Individual PAGA Payments to Aggrieved Employees; (c) LWDA Payment to the
21 LWDA; (d) Enhancement Payments to Plaintiffs; (e) Attorneys' Fees and Costs to Class Counsel; and (f)
22 Settlement Administration Costs to the Settlement Administrator.

23 13. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose
24 attorneys' fees of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., up to \$332,500.00
25 if the Total Settlement Amount remains \$950,000) and reimbursement of actual costs and expenses
26 associated with Class Counsel's litigation and settlement of the Lawsuit, in an amount not to exceed
27 thirty-three thousand dollars (\$33,000.00) to Class Counsel, both of which will be paid from the Total
28 Settlement Amount subject to Court approval. These amounts will cover any and all work performed

1 and any and all costs incurred by Class Counsel in connection with the litigation of the Lawsuit,
2 including without limitation all work performed and costs incurred to date, and all work to be performed
3 and all costs to be incurred in connection with obtaining the Court's approval of this Settlement
4 Agreement, including any objections raised and any appeals necessitated by those objections. Class
5 Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax
6 purposes and for paying any taxes on the amounts received. With respect to the Attorneys' Fees and
7 Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States
8 Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses
9 for the use of attorney fee deferral vehicles by the Settlement Administrator shall be paid separately by
10 Class Counsel and shall not be included within the Settlement Administration Costs. Should the Court
11 approve the Attorneys' Fees and Costs in an amount that is less than that set forth above, the difference
12 between the lesser amount approved by the Court and the amount allocated toward the Attorneys' Fees
13 and Costs shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

14 14. Enhancement Payments. In recognition of their efforts and work in prosecuting the
15 Lawsuit, Defendant agrees not to oppose or impede any application or motion for Enhancement
16 Payments in an amount up to ten thousand dollars (\$10,000.00) each to Plaintiffs Christian Rojas Cruz
17 and Miguel Chavarin. The Enhancement Payments, which will be paid from the Total Settlement
18 Amount, subject to Court approval, will be in addition to their Individual Settlement Payment and/or
19 Individual PAGA Payment that is to be paid pursuant to the Settlement. The Settlement Administrator
20 will issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments, and Plaintiffs shall be solely
21 and legally responsible for correctly characterizing this compensation for tax purposes and for paying
22 any taxes on the amounts received. Plaintiffs agree to indemnify and hold Defendant harmless from any
23 claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payments. Should
24 the Court approve the Enhancement Payments to Plaintiffs in an amount that is less than that set forth
25 above, the difference between the lesser amount approved by the Court and the amount allocated toward
26 the Enhancement Payments will be part of the Net Settlement Amount for the benefit of Settlement Class
27 Members.

28 15. Settlement Administration Costs. The Settlement Administrator will be paid for the

reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Ten Thousand Dollars (\$10,000.00). These costs, which will be paid from the Total Settlement Amount, subject to Court approval, will include, *inter alia*, [translating the Class Notice into Spanish, printing, distributing, and tracking Class Notices and other documents for this settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Total Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

16. Labor and Workforce Development Agency Payment. Subject to approval by the Court, the Parties agree that the amount of two hundred thousand dollars (\$200,000.00) from the Total Settlement Amount will be allocated toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* (i.e., PAGA Penalty Amount), of which seventy-five percent (75%), or \$150,000.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$50,000.00, will be distributed to Aggrieved Employees on a *pro rata* basis, based on Workweeks during the PAGA Period (i.e., Individual PAGA Payment).

17. Individual Settlement Share and Individual PAGA Payment Calculations. Class Members shall not be required to submit a claim in order to receive a share of the Net Settlement Amount, and Aggrieved Employees shall not be required to submit a claim in order to receive a share of the PAGA Penalty Amount, and no portion of the Total Settlement Amount shall revert to Defendant.

a. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' Workweeks, as follows:

i. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield

the “Estimated Workweek Value,” and multiply each Class Member’s individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement.

ii. After Final Approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

b. Individual PAGA Payments will be calculated and apportioned from the 25% of the PAGA Penalty Amount payable to Aggrieved Employees, based on the Aggrieved Employees’ Workweeks during the PAGA Period, as follows: the Settlement Administrator will divide 25% of the PAGA Penalty Amount by the Workweeks of all Aggrieved Employees during the PAGA Period to yield the “PAGA Workweek Value,” and multiply each Aggrieved Employee’s individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

18. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this settlement shall not in any way entitle Plaintiffs, Settlement Class Members, and/or Aggrieved Employees to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle any Settlement Class Member and/or Aggrieved Employee to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

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

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

a. Within fourteen (14) calendar days after receiving the Class List from Defendant, the Settlement Administrator will perform a search based on the National Change of Address Database

1 or any other similar services available, such as provided by Experian, for information to update and
2 correct for any known or identifiable address changes, and will mail a Class Notice (in the form attached
3 as **Exhibit B** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the
4 most current, known mailing addresses identified by the Settlement Administrator.

5 b. With respect to Class Notices that are returned as undeliverable on or before the
6 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
7 trace and re-mail the Class Notice within five (5) calendar days.

8 21. Dispute Regarding Workweeks. Class Members and Aggrieved Employees will have an
9 opportunity to dispute the number of Workweeks to which they have been credited, as reflected in their
10 respective Class Notices. In order to dispute Workweeks, Class Members and/or Aggrieved Employees
11 must submit a written letter to the Settlement Administrator that: (a) contains the case name and number
12 of the Lawsuit, (b) is signed by the Class Member and/or Aggrieved Employee, (c) contains the full
13 name, address, telephone number, and the last four digits of the Social Security Number of the disputing
14 Class Member and/or Aggrieved Employee, (d) clearly states that the Class Member and/or Aggrieved
15 Employee disputes the number of Workweeks credited to him or her and what he or she contends is the
16 correct number to be credited to him or her, (e) includes information and/or attaches documentation
17 demonstrating that the number of Workweeks that he or she contends should be credited to him or her
18 are correct, and (f) is returned by mail to the Settlement Administrator at the specified address,
19 postmarked on or before the Response Deadline. The date of the postmark on the mailing envelope on
20 the submission will be the exclusive means to determine whether a dispute has been timely submitted.
21 Absent information indicating that Defendant's records and data are inaccurate as they pertain to the
22 number of Workweeks to be credited to a disputing Class Member and/or Aggrieved Employee,
23 Defendant's records will be presumed correct and determinative of the dispute. However, if a Class
24 Member and/or Aggrieved Employee produces information and/or documents to the contrary, the
25 Settlement Administrator will evaluate the materials submitted by the Class Member and/or Aggrieved
26 Employee and the Settlement Administrator will resolve and determine the number of eligible
27 Workweeks that the disputing Class Member and/or Aggrieved Employee should be credited with under
28 the settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

1 22. Settlement Checks. The Settlement Administrator will be responsible for undertaking
2 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
3 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
4 Aggrieved Employees, in accordance with this Settlement Agreement. The Settlement Administrator
5 may, at its discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way
6 of a single check that combines both payments (if applicable). Each Individual Settlement Payment and
7 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar
8 days from the date the checks are issued, and thereafter, shall be cancelled. All funds associated with
9 such cancelled checks will be transmitted to the the *cy pres*, Court Appointed Special Advocates of Los
10 Angeles in accordance with California Code of Civil Procedure section 384. Pursuant to Code of Civil
11 Procedure section 384, the Court shall set a date when Plaintiffs shall report to the Court the total amount
12 that was actually paid to Settlement Class Members. After this report is received, the Court shall amend
13 the judgment and direct the Settlement Administrator to pay the sum of the unpaid residue or unclaimed
14 or abandoned funds associated with cancelled checks, plus interest that has accrued on those funds (if
15 any), to the Court Appointed Special Advocates of Los Angeles. The Parties and their counsel each
16 represent that they do not have any financial interest in the *cy pres* recipient or otherwise have a
17 relationship with the *cy pres* recipient that could create a conflict of interest. The Settlement
18 Administrator shall undertake amended and/or supplemental tax filings and reporting, required under
19 applicable local, state, and federal tax laws, that are necessitated due to the cancellation of any
20 Individual Settlement Payment checks or Individual PAGA Payment checks. All Settlement Class
21 Members and Aggrieved Employees shall be bound by the terms and conditions of this Settlement
22 Agreement regardless of whether they cash or otherwise negotiate their Individual Settlement Payment
23 check and/or Individual PAGA Payment check or not.

24 23. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member
25 wishing to be excluded from the Class Settlement must submit timely and valid Request for Exclusion
26 to the Settlement Administrator, by mail, postmarked no later than the Response Deadline. The date of
27 the postmark on the mailing envelope will be the exclusive means to determine whether a Request for
28 Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel

1 and Defendant's Counsel the Requests for Exclusion that were timely submitted, and also identify the
2 individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be
3 filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a
4 Request for Exclusion is prohibited from making any objection to the Class Settlement. Aggrieved
5 Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their option to
6 opt out of the Class Settlement.

7 24. Effect of Seeking Exclusion from the Class Settlement. Any Class Member who does not
8 affirmatively request exclusion from the Class Settlement by submitting a timely and valid Request for
9 Exclusion will be bound by the Class Settlement, including and not limited to those pertaining to the
10 release of Released Class Claims, as well as any judgment that may be entered by the Court if it grants
11 Final Approval to the Settlement, as it pertains to the Class Settlement. Any Class Member who submits
12 a timely and valid Request for Exclusion is nevertheless bound to the PAGA Settlement if he or she is
13 an Aggrieved Employee, as well as any judgment that may be entered by the Court if it grants Final
14 Approval to the settlement, as it pertains to the PAGA Settlement. Prior to the Final Approval Hearing,
15 the Settlement Administrator will provide a declaration for filing with the Court that identifies by full
16 name, those individuals who submit timely and valid Requests for Exclusion.

17 25. Procedures for Objecting to the Class Settlement. To object to the Class Settlement,
18 Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) must
19 submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, on or before
20 the Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and
21 contain all information required by this Settlement Agreement. The postmark date will be deemed the
22 exclusive means for determining that the Notice of Objection is timely. At no time will any of the
23 Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the
24 Class Settlement or appeal from the Final Approval Order and Judgment. Settlement Class Members
25 may also present their objection at the Final Approval Hearing, regardless of whether they submit a
26 written objection. Prior to the Final Approval Hearing, the Settlement Administrator will provide a
27 declaration for filing with the Court that attaches all Notices of Objection that it receives, as an exhibit.

28 26. Reports by the Settlement Administrator Regarding Settlement Administration. The

1 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
2 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number
3 of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete
4 Notices of Objection; and (c) the number of undeliverable and re-mailed Class Notices. Additionally,
5 the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
6 administration of the Settlement Agreement as needed or requested, and immediately notify the Parties
7 when it receives a request from an individual or any other entity regarding inclusion in the Class and/or
8 settlement.

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

12 28. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be
13 allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties and interest. The
14 portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to interest
15 and penalties will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement
16 Administrator will withhold the employee's share of taxes and withholdings with respect to the wages
17 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
18 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and
19 withholdings). Any payment for an Individual PAGA Payment will be allocated as one hundred percent
20 (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-
21 1099, if necessary. The employer's share of taxes and contributions on the wages portion of Individual
22 Settlement Shares will be paid separately and in addition to the Total Settlement Amount.

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

28 30. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not

1 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
2 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement
3 Class Members, and Aggrieved Employees will be solely responsible for correctly characterizing any
4 compensation received under the Settlement on his/her personal income tax returns and paying any and
5 all taxes due for any and all amounts paid to them under the Settlement.

6 31. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR
7 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
8 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
9 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT
10 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
11 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
12 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
13 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
14 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
15 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
16 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
17 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
18 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
19 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
20 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
21 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
22 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO
23 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
24 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
25 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
26 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
27 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
28 BY THIS SETTLEMENT AGREEMENT.

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

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

34. Release of Released PAGA Claims. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff Chavarin, the State of California, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

35. General Release of Claims by Plaintiffs. In addition, upon the Effective Date and full funding of the Total Settlement Amount, Plaintiffs will be deemed to have fully released and discharged the Released Parties of and from all claims arising from their employment with Defendant, separation of employment from Defendant, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, Orders of the California Industrial Welfare Commission, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, which provides:

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.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. The Enhancement Payments will be paid to Plaintiffs specifically in exchange for the general release of the Released Parties from all claims, including those specified in this paragraph and a covenant not to sue the Released Parties. Notwithstanding the above, the general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

36. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Upon execution of this Settlement Agreement, Plaintiffs shall promptly obtain a hearing date for Plaintiffs' Motion for Preliminary Approval of the Settlement, which Plaintiffs and Class Counsel will be responsible for drafting and submitting this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the motion before the filing deadline. Defendant agrees not to oppose the motion as long as it is consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiffs as representatives of the Class;
- d. Preliminarily appointing Plaintiffs' Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing to the Class by first class mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether

the Settlement should be finally approved as fair, reasonable, and adequate as to the Settlement Class Members, State of California, and Aggrieved Employees.

37. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the motion before the filing deadline. By way of said motion, Plaintiffs will apply for the entry of the mutually-agreed upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Class for settlement purposes;
- c. Awarding Attorneys' Fees and Costs to Class Counsel;
- d. Awarding Enhancement Payments to Plaintiffs;
- e. Awarding Settlement Administration Costs to Settlement Administrator;
- f. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- g. Entering judgment in the Lawsuit, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

38. Termination or Revocation of Settlement.

a. If ten percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel within twenty-one (21) calendar days of the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs

of settlement administration owed to the Settlement Administrator incurred up to that date.

b. If the Court finds the Total Settlement Amount to be insufficient to warrant Preliminary Approval or Final Approval of the Settlement, Defendant may, at their election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission in writing that is provided to Class Counsel.

39. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall have the following effects, except as otherwise specifically provided herein:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

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

e. Neither this Settlement Agreement, nor any ancillary documents, actions, statements or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Lawsuit or any other action for any purpose whatsoever; and

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

40. Escalator Clause. Defendant represents that, for the period of July 8, 2017 to December 10, 2021, there were approximately 37,943 Workweeks. If it is determined that the total number of Workweeks during the period July 8, 2017 to December 10, 2021 actually exceeds 37,943 by more than

ten percent (10%) (i.e., if the total number of Workweeks for the stated period exceed 41,738), then, the Total Settlement Amount will be increased on a proportional basis by the same number of percentage points above ten percent (10%) (e.g., if the number of Workweeks for the time period of July 8, 2017 to December 10, 2021 actually exceeds 37,943 by 11% to 42,117 Workweeks, the Total Settlement Amount will increase by 1%).

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

42. Exhibits Incorporated by Reference. The terms of this Settlement Agreement 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 Agreement are an integral part of the Settlement.

43. Entire Agreement. This Settlement Agreement and any attached exhibits contain the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

44. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Lawsuit (including with respect to California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

45. Amendment. The Parties may not amend or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all Parties, and subject to any necessary Court approval.

1 46. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
3 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant
4 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
5 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
6 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
7 will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to
8 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
9 provisions that otherwise might apply under state or federal law.

10 47. Signatories. It is agreed that because the Class Members and Aggrieved Employees are
11 so numerous, it is impossible or impractical to have each of them execute this Settlement Agreement.
12 The Class Notice will advise all Class Members and Aggrieved Employees of the binding nature of the
13 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
14 as to the Aggrieved Employees, and the release shall have the same force and effect as if this Settlement
15 Agreement were executed by each Settlement Class Member and Aggrieved Employee.

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

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

20 50. Execution and Counterparts. This Settlement Agreement is subject only to the execution
21 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
22 executed counterparts and each of them, including facsimile, electronic, and scanned copies of the
23 signature page, will be deemed to be one and the same instrument.

24 51. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
25 Settlement Agreement is a fair, adequate, and reasonable settlement of the Lawsuit and have arrived at
26 this settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
27 account all relevant factors, present and potential. The Parties further acknowledge that they are each
28 represented by competent counsel and that they have had an opportunity to consult with their counsel

1 regarding the fairness and reasonableness of this Settlement Agreement. In addition, the Mediator may
2 execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court
3 may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement
4 is objectively fair and reasonable.

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

9 53. Plaintiffs' Waiver of Right to Be Excluded. Plaintiffs agree to sign this Settlement
10 Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein.

11 54. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
12 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
13 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies,
14 that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated
15 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
16 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
17 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any
18 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
19 admission or concession by Defendant of any such violations or failures to comply with any applicable
20 law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this
21 Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any
22 action or proceeding to establish any liability or admission on the part of Defendant or to establish the
23 existence of any condition constituting a violation of, or a non-compliance with state, federal, local or
24 other applicable law.

25 55. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted
26 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
27 provisions of this Settlement Agreement.

28 56. 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 arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

57. 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.

58. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

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

To Plaintiffs and Class Counsel:

Edwin Aiwarzian, Esq.
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

Gregory Mauro, Esq.
JAMES HAWKINS, APLC
9880 Research Drive, Suite 200
Irvine, California 92618

To Defendant:

Tina M. Jacquez, Esq.
**SOLTMAN, LEVITT, FLAHERTY &
WATTLES LLP**
90 East Thousand Oaks Boulevard, Suite 300
Thousand Oaks, California 91360

60. Posting of the Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website within three (3) business days of receipt, and shall maintain the posting for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment will be required to be provided to the Class.

61. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of

this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendant:

IT IS SO AGREED.

Dated: 09/06/2022, 2022

PLAINTIFF CHRISTIAN ROJAS CRUZ

Electronically Signed: 2022.09.06 22:22:57 UTC -172:56:17:103
 Christian Rojas Cruz, Plaintiff

Dated: 9/9/2022, 2022

PLAINTIFF MIGUEL CHAVARIN

DocuSigned by:
 Miguel Chavarin, Plaintiff

Dated: 9/27/2022, 2022

DEFENDANT SENSOR SYSTEMS, INC.

Anish Patel

Digitally signed by Anish Patel
 DN: O=Radant Power Corp., Dukano Seacom Inc, CN=Anish Patel, E=apatel@rpcsro.com
 Reason: I am approving this document
 Location:
 Date: 2022.09.27 15:23:32-04'00'
 Foxit PDF Editor Version: 12.0.1

Full Name: Anish Patel

Title: President

On behalf of Sensor Systems, Inc.

APPROVED AS TO FORM

Dated: September 6, 2022

LAWYERS for JUSTICE, PC

Edwin Aiwazian
 Edwin Aiwazian
 Attorneys for Plaintiff Christian Rojas Cruz and Proposed Class Counsel

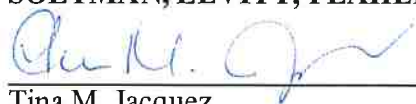
Dated: September 9, 2022

JAMES HAWKINS, APLC

Gregory Mauro
 Gregory Mauro
 Attorneys for Plaintiff Miguel Chavarin and Proposed Class Counsel

SOLTMAN, LEVITT, FLAHERTY & WATTLES LLP

Dated: September 27, 2022



Tina M. Jacquez
Attorneys for Defendant Sensor Systems, Inc.

EXHIBIT A

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Attorneys for Plaintiff Miguel Chavarin

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHRISTIAN ROJAS CRUZ, individually,
and on behalf of other members of the
general public similarly situated; MIGUEL
CHAVARIN, individually, and on behalf of
other members of the general public similarly
situated and on behalf of other aggrieved
employees pursuant to the California Private
Attorneys General Act;

Plaintiff,

vs.

SENSOR SYSTEMS, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 21STCV25102
Chavarin Case No.: 21STCV42647

**[PROPOSED] FIRST AMENDED CLASS
ACTION COMPLAINT FOR DAMAGES
AND ENFORCEMENT UNDER THE
PRIVATE ATTORNEYS GENERAL ACT,
CAL. LABOR CODE § 2698 ET SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment);
- (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records);
- (9) Violation of California Labor Code

§§ 2800 and 2802 (Unreimbursed Business Expenses);
(10) Violation of California Business & Professions Code §§ 17200, et seq.
(11) Violation of California Labor Code § 2698, et seq. (Private Attorneys General Act of 2004)

DEMAND FOR JURY TRIAL

COME NOW, Plaintiffs CHRISTIAN ROJAS CRUZ (“Plaintiff CRUZ”), individually, and on behalf of other members of the general public similarly situated, and MIGUEL CHAVARIN (“Plaintiff CHAVARIN”), individually, and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act (“PAGA”) (together, Plaintiffs CRUZ and CHAVARIN are referred to as “Plaintiffs”), allege as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the California Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiffs exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over Defendant because, upon information and belief, Defendant is a citizen of California, has sufficient minimum contacts in California, or otherwise intentionally avails itself of the California market so as to render the exercise of jurisdiction over it by California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendant maintains offices, has agents, employs individuals, and/or transacts business in the State of California, County of Los Angeles. The majority of acts and omissions alleged herein relating to Plaintiffs and the other class members and aggrieved employees took place in the State of California, including the County of Los Angeles. At all relevant times, Defendant maintained its

headquarters/“nerve center” within the State of California, County of Los Angeles.

PARTIES

5. Plaintiff CHRISTIAN ROJAS CRUZ is an individual residing in the State of California, County of Los Angeles.

6. Plaintiff MIGUEL CHAVARIN is an individual residing in the State of California, County of Los Angeles.

7. Defendant SENSOR SYSTEMS, INC., at all times herein mentioned, was and is, upon information and belief, a California corporation and, at all times herein mentioned, an employer whose employees are engaged throughout the State of California, including the County of Los Angeles.

8. At all relevant times, Defendant SENSOR SYSTEMS, INC. was the “employer” of Plaintiffs within the meaning of all applicable California laws and statutes.

9. At all times herein relevant, Defendants SENSOR SYSTEMS, INC. and DOES 1 through 100, and each of them, were the agents, partners, joint venturers, joint employers, representatives, servants, employees, successors-in-interest, co-conspirators and/or assigns, each of the other, and at all times relevant hereto were acting within the course and scope of their authority as such agents, partners, joint venturers, joint employers, representatives, servants, employees, successors, co-conspirators and/or assigns, and all acts or omissions alleged herein were duly committed with the ratification, knowledge, permission, encouragement, authorization and/or consent of each defendant designated as a DOE herein.

10. The true names and capacities, whether corporate, associate, individual or otherwise, of defendants DOES 1 through 100, inclusive, are unknown to Plaintiffs who sue said defendants by such fictitious names. Plaintiffs are informed and believes, and based on that information and belief allege, that each of the defendants designated as a DOE is legally responsible for the events and happenings referred to in this Complaint, and unlawfully caused the injuries and damages to Plaintiffs and the other class members and aggrieved employees as alleged in this Complaint. Plaintiffs will seek leave of court to amend this Complaint to show the true names and capacities when the same have been ascertained.

11. Defendant SENSOR SYSTEMS, INC. and DOES 1 through 100 will hereinafter collectively be referred to as “Defendants.”

12. Plaintiffs further alleges that Defendants directly or indirectly controlled or affected the working conditions, wages, working hours, and conditions of employment of Plaintiffs and the other class members and aggrieved employees so as to make each of said Defendant employers liable under the statutory provisions set forth herein.

CLASS ACTION ALLEGATIONS

13. Plaintiffs bring this action on their own behalf and on behalf of all other members of the general public similarly situated, and, thus, seek class certification under California Code of Civil Procedure section 382.

14. The proposed class is defined as follows:

All current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California at any time during the period from four years preceding the filing of this Complaint to final judgment and who reside in California.

(Subclass A.) All class members who were required by Defendants to stay on Defendants’ premises for rest breaks.

(Subclass B.) All class members who received overtime compensation at a rate lower than their respective regular rate of pay because Defendants failed to include all non-discretionary bonuses or other incentive-based compensation in the calculation of the regular rate of pay for overtime pay purposes.

(Subclass C.) All class members who were subject to Defendants’ practice of rounding time recorded for purposes of calculating compensation for time worked or for calculating meal periods.

15. Plaintiffs reserve the right to establish additional subclasses as appropriate.

16. The class is ascertainable and there is a well-defined community of interest in the litigation:

a. Numerosity: The class members are so numerous that joinder of all class

members is impracticable. The membership of the entire class is unknown to Plaintiffs at this time; however, the class is estimated to be greater than fifty (50) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.

b. Typicality: Plaintiffs' claims are typical of all other class members as demonstrated herein. Plaintiffs will fairly and adequately protect the interests of the other class members with whom they have a well-defined community of interest.

c. Adequacy: Plaintiffs will fairly and adequately protect the interests of each class member, with whom they have a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiffs have no interest that is antagonistic to the other class members. Plaintiffs' attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiffs have incurred, and during the pendency of this action will continue to incur, costs and attorneys' fees, that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each class member.

d. Superiority: A class action is superior to other available methods for the fair and efficient adjudication of this litigation because individual joinder of all class members is impractical.

e. Public Policy Considerations: Certification of this lawsuit as a class action will advance public policy objectives. Employers of this great state violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. However, class actions provide the class members who are not named in the complaint anonymity that allows for the vindication of their rights.

17. There are common questions of law and fact as to the class members that

predominate over questions affecting only individual members. The following common questions of law or fact, among others, exist as to the members of the class:

- a. Whether Defendants' failure to pay wages, without abatement or reduction, in accordance with the California Labor Code, was willful;
- b. Whether Defendants' had a corporate policy and practice of failing to pay their hourly-paid or non-exempt employees within the State of California for all hours worked and missed (short, late, interrupted, and/or missed altogether) meal periods and rest breaks in violation of California law;
- c. Whether Defendants required Plaintiffs and the other class members to work over eight (8) hours per day and/or over forty (40) hours per week, and/or over six (6) days per workweek and failed to pay the legally required overtime compensation to Plaintiffs and the other class members;
- d. Whether Defendants deprived Plaintiffs and the other class members of meal and/or rest periods or required Plaintiffs and the other class members to work during meal and/or rest periods without compensation;
- e. Whether Defendants failed to pay minimum wages to Plaintiffs and the other class members for all hours worked;
- f. Whether Defendants failed to pay all wages due to Plaintiffs and the other class members within the required time upon their discharge or resignation;
- g. Whether Defendants failed to timely pay all wages due to Plaintiffs and the other class members during their employment;
- h. Whether Defendants complied with wage reporting as required by the California Labor Code; including, *inter alia*, section 226;
- i. Whether Defendants kept complete and accurate payroll records as required by the California Labor Code, including, *inter alia*, section 1174(d);
- j. Whether Defendants failed to reimburse Plaintiffs and the other class

members for necessary business-related expenses and costs;

k. Whether Defendants' conduct was willful or reckless;

l. Whether Defendants engaged in unfair business practices in violation of California Business & Professions Code section 17200, et seq.;

m. The appropriate amount of damages, restitution, and/or monetary penalties resulting from Defendants' violation of California law; and

n. Whether Plaintiffs and the other class members are entitled to compensatory damages pursuant to the California Labor Code.

PAGA ALLEGATIONS

18. At all times herein set forth, PAGA was applicable to Plaintiff CHAVARIN's employment by Defendants.

19. At all times herein set forth, PAGA provides that any provision of law under the California Labor Code that provides for a civil penalty, including unpaid wages and premium wages, to be assessed and collected by the LWDA for violations of the California Labor Code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself and other current or former employees pursuant to procedures outlined in California Labor Code section 2699.3.

20. Pursuant to PAGA, a civil action under PAGA may be brought by an "aggrieved employee," who is any person that was employed by the alleged violator and against whom one or more of the alleged violations was committed.

21. Plaintiff CHAVARIN was employed by Defendants and the alleged violations were committed against him during his time of employment and he is, therefore, an aggrieved employee. Plaintiff CHAVARIN and the other employees are "aggrieved employees" as defined by California Labor Code section 2699(c) in that they are current or former employees of Defendants, and one or more of the alleged violations were committed against them.

22. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved employee, including Plaintiff CHAVARIN, may pursue a civil action arising under PAGA after the following requirements have been met:

- a. The aggrieved employee shall give written notice by certified mail (hereinafter “Employee's Notice”) to the LWDA and the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violations.
- b. The LWDA shall provide notice (hereinafter “LWDA Notice”) to the employer and the aggrieved employer by certified mail that it does not intend to investigate the alleged violation within sixty (60) calendar days of the postmark date of the Employee’s Notice. Upon receipt of the LWDA Notice, or if the LWDA Notice is not provided within sixty-five (65) calendar days of the postmark date of the Employee’s Notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties in addition to any other penalties to which the employee may be entitled.

25. On November 18, 2021, Plaintiff CHAVARIN provided written notice by certified mail to the LWDA and to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Therefore, the administrative prerequisites under California Labor Code section 2699.3(a) to recover civil penalties, including unpaid wages and premium wages per California Labor Code section 558 against Defendants, in addition to other remedies, for violations of California Labor Code sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, and 2698 et seq. and Industrial Welfare Commission Wage Orders, including Wage Order No. 1-2001 have been satisfied.

GENERAL ALLEGATIONS

23. At all relevant times set forth herein, Defendants employed Plaintiffs and other persons as hourly-paid or non-exempt employees within the State of California, including the County of Los Angeles.

24. Defendants, jointly and severally, employed Plaintiff CRUZ as an hourly-paid, non-exempt employee, from approximately August 2016 to approximately April 2019, in the

1 State of California, County of Los Angeles.

2 25. Defendants, jointly and severally employed Plaintiff CHAVARIN as a non-
3 exempt employee, from approximately August 2018 to approximately March 2021, in the State
4 of California, County of Los Angeles.

5 26. Defendants hired Plaintiffs and the other class members and aggrieved
6 employees, classified them as hourly-paid or non-exempt employees, and failed to compensate
7 them for all hours worked and missed, short, late, and/or interrupted meal periods and/or rest
8 breaks.

9 27. Defendants had the authority to hire and terminate Plaintiffs and the other class
10 members and aggrieved employees, to set work rules and conditions governing Plaintiffs' and
11 the other class members' and aggrieved employees' employment, and to supervise their daily
12 employment activities.

13 28. Defendants exercised sufficient authority over the terms and conditions of
14 Plaintiffs' and the other class members' and aggrieved employees' employment for them to be
15 joint employers of Plaintiffs and the other class members and aggrieved employees.

16 29. Defendants directly hired and paid wages and benefits to Plaintiffs and the other
17 class members and aggrieved employees.

18 30. Defendants continue to employ hourly-paid or non-exempt employees within the
19 State of California.

20 31. Plaintiff and the other class members and aggrieved employees worked over eight
21 (8) hours in a day, forty (40) hours in a week, and/or over six (6) days in a workweek during
22 their employment with Defendants.

23 32. Plaintiffs are informed and believe, and based thereon allege, that Defendants
24 engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid or
25 non-exempt employees within the State of California. This scheme involved, *inter alia*, failing
26 to pay them for all hours worked and missed meal periods and rest breaks in violation of
27 California law.

28 33. Plaintiffs are informed and believe, and based thereon allege, that Defendants

1 knew or should have known that Plaintiffs and the other class members and aggrieved employees
2 were entitled to receive certain wages for overtime compensation and that they were not
3 receiving accurate overtime compensation for all overtime hours worked. The deficiencies
4 include, *inter alia*, requiring Plaintiffs and the other class members and aggrieved employees to
5 perform work overtime off-the-clock, the failure to include earned commissions, non-
6 discretionary bonuses, monetary and non-monetary incentives, non-discretionary production
7 and/or performance pay, and/or shift differentials to calculate the regular rate of pay used to
8 calculate the overtime rate, and an improper rounding policy.

9 34. Plaintiff are informed and believe, and based thereon allege, that Defendants
10 failed to provide Plaintiffs and the other class members and aggrieved employees all required
11 rest and meal periods during the relevant time period as required under the Industrial Welfare
12 Commission Wage Orders and thus they are entitled to any and all applicable premium wages.
13 Defendants' failure included, *inter alia*, failing to provide uninterrupted ten (10) minute rest
14 periods and timely, uninterrupted thirty (30) minute meal periods to Plaintiffs and the other class
15 members and aggrieved employees. Plaintiffs and the other class members were required to
16 perform work during meal periods and rest periods, and Defendant incentivized Plaintiffs and
17 the other class members and aggrieved employees to forego statutorily required meal periods
18 and rest periods.

19 35. Plaintiffs are informed and believe, and based thereon allege, that Defendants
20 knew or should have known that Plaintiffs and the other class members and aggrieved employees
21 were entitled to receive all meal periods or payment of one additional hour of pay at their
22 respective regular rate of pay when a meal period was missed, and they did not receive all meal
23 periods or payment of one additional hour of pay at their respective regular rate of pay when a
24 meal period was missed.

25 36. Plaintiffs are informed and believe, and based thereon allege, that Defendants
26 knew or should have known that Plaintiffs and the other class members and aggrieved employees
27 were entitled to receive all rest periods or payment of one additional hour of pay at their
28 respective regular rate of pay when a rest period was missed, late, short, and/or interrupted, and

they did not receive all rest periods or payment of one additional hour of pay at their respective regular rate of pay when a rest period was missed, late, short, and/or interrupted.

37. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members and aggrieved employees were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for all hours worked.

38. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members and aggrieved employees were entitled to receive all wages owed to them upon discharge or resignation, including earned and unpaid overtime wages, minimum wages, and meal and rest period premiums, and they did not, in fact, receive all such wages owed to them at the time of their discharge or resignation.

39. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members and aggrieved employees were entitled to receive all wages owed to them during their employment. Plaintiffs and the other class members and aggrieved employees did not receive payment of all wages, including overtime and minimum wages and meal and rest period premiums, within any time permissible under California Labor Code section 204.

40. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members and aggrieved employees were entitled to receive complete and accurate wage statements in accordance with California law, but, in fact, they did not receive complete and accurate wage statements from Defendants. The deficiencies included, *inter alia*, the failure to include the total number of hours worked by Plaintiffs and other class members and aggrieved employees.

41. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Defendants had to keep complete and accurate payroll records for Plaintiffs and the other class members and aggrieved employees in accordance with California law, but, in fact, did not keep complete and accurate payroll records.

42. Plaintiffs are informed and believe, and based thereon allege, that Defendants

1 knew or should have known that Plaintiffs and the other class members and aggrieved employees
2 were entitled to reimbursement for necessary business-related expenses.

3 43. Plaintiffs are informed and believe, and based thereon allege, that Defendants
4 knew or should have known that they had a duty to compensate Plaintiffs and the other class
5 members and aggrieved employees pursuant to California law, and that Defendants had the
6 financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to
7 do so, and falsely represented to Plaintiffs and the other class members and aggrieved employees
8 that they were properly denied wages, all in order to increase Defendants' profits.

9 44. During the relevant time period, Defendants failed to pay overtime wages to
10 Plaintiffs and the other class members and aggrieved employees for all overtime hours worked.
11 Plaintiffs and the other class members and aggrieved employees did not receive overtime
12 compensation at one-and-one-half times the regular rate for all hours spent performing job duties
13 in excess of eight (8) hours per day, forty (40) hours per week, and/or for the first eight (8) hours
14 worked on the seventh day of work in a workweek.

15 45. During the relevant time period, Defendants failed to provide all requisite
16 uninterrupted meal and rest periods to Plaintiffs and the other class members and aggrieved
17 employees.

18 46. During the relevant time period, Defendants failed to pay Plaintiffs and the other
19 class members and aggrieved employees at least minimum wages for all hours worked.

20 47. During the relevant time period, Defendants failed to pay Plaintiffs and the other
21 class members and aggrieved employees all wages owed to them upon discharge or resignation.

22 48. During the relevant time period, Defendants failed to pay Plaintiffs and the other
23 class members and aggrieved employees all wages within any time permissible under California
24 law, including, *inter alia*, California Labor Code section 204.

25 49. During the relevant time period, Defendants failed to provide complete or
26 accurate wage statements to Plaintiffs and the other class members and aggrieved employees.

27 50. During the relevant time period, Defendants failed to keep complete or accurate
28 payroll records for Plaintiffs and the other class members and aggrieved employees.

52. During the relevant time period, Defendants failed to properly compensate Plaintiffs and the other class members and aggrieved employees pursuant to California law in order to increase Defendants' profits.

53. California Labor Code section 218 states that nothing in Article 1 of the Labor Code shall limit the right of any wage claimant to “sue directly . . . for any wages or penalty due to him [or her] under this article.”

(Violation of California Labor Code §§ 510 and 1198)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

54. Plaintiffs incorporate by reference the allegations contained in Paragraphs 1 through 53, and each and every part thereof with the same force and effect as though fully set forth herein.

55. California Labor Code section 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order provide that it is unlawful to employ persons without compensating them at a rate of pay either time-and-one-half or two-times that person’s regular rate of pay, depending on the number of hours worked by the person on a daily or weekly basis.

56. Specifically, the applicable IWC Wage Order provides that Defendants are and were required to pay Plaintiffs and the other class members employed by Defendants, and working more than eight (8) hours in a day, more than forty (40) hours in a workweek, and/or more than six (6) at the rate of time-and-one-half for all hours worked in excess of eight (8) hours in a day, more than forty (40) hours in a workweek, or the first eight (8) hours worked on the seventh day of work in a workweek.

57. The applicable IWC Wage Order further provides that Defendants are and were required to pay Plaintiffs and the other class members overtime compensation at a rate of two times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

58. California Labor Code section 510 codifies the right to overtime compensation at one-and-one-half times the regular hourly rate for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh day of work, and to overtime compensation at twice the regular hourly rate for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day of work.

59. During the relevant time period, Plaintiffs and the other class members worked in excess of eight (8) hours in a day, in excess of forty (40) hours in a week, and/or for the first eight (8) hours worked on the seventh day.

60. During the relevant time period, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiffs and the other class members.

61. Defendants' failure to pay Plaintiffs and the other class members the unpaid balance of overtime compensation, as required by California laws, violates the provisions of California Labor Code sections 510 and 1198, and is therefore unlawful.

62. Pursuant to California Labor Code section 1194, Plaintiffs and the other class members are entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(Violation of California Labor Code §§ 226.7 and 512(a))

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

63. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 62, and each and every part thereof with the same force and effect as though fully set forth herein.

64. At all relevant times, the IWC Order and California Labor Code sections 226.7 and 512(a) were applicable to Plaintiffs' and the other class members' employment by Defendants.

65. At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any meal or rest period mandated by an applicable order of the California IWC.

66. At all relevant times, the applicable IWC Wage Order and California Labor Code section 512(a) provide that an employer may not require, cause or permit an employee to work for a work period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is no more than six (6) hours, the meal period may be waived by mutual consent of both the employer and employee.

67. At all relevant times, the applicable IWC Wage Order and California Labor Code section 512(a) further provide that an employer may not require, cause or permit an employee to work for a work period of more than ten (10) hours per day without providing the employee with a second uninterrupted meal period of not less than thirty (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

68. During the relevant time period, Plaintiffs and the other class members who were scheduled to work for a period of time no longer than six (6) hours, and who did not waive their legally-mandated meal periods by mutual consent, were required to work for periods longer than five (5) hours without an uninterrupted meal period of not less than thirty (30) minutes and/or rest period.

69. During the relevant time period, Plaintiffs' and other class members' meal periods were missed, shortened, late, and/or were interrupted because Defendants required them to perform and complete work duties, even when it resulted in missed, shortened, late, or interrupted meal periods. Defendants interrupted Plaintiffs and the other class members during purported meal periods with business-related inquiries, instructions for tasks, and/or to require them to return to work before a full thirty (30) minutes elapsed to complete or begin tasks.

70. During the relevant time period, Defendants failed to relieve Plaintiffs and the other class members of all duties, failed to relinquish control over Plaintiffs' and the other class members' activities, failed to permit Plaintiffs and the other class members a reasonable opportunity to take, and impeded or discouraged them from taking thirty (30) minute uninterrupted meal periods no later than the end of their fifth hour of work for shifts lasting at

1 least six (6) hours, and/or to take second thirty (30) minute uninterrupted meal periods no later
2 than their tenth hour of work for shifts lasting more than ten (10) hours. Defendants also
3 automatically deducted meal periods from Plaintiff's and the other class members' time records
4 regardless of whether a compliant meal period was taken.

5 71. During the relevant time period, Plaintiffs and the other class members who were
6 scheduled to work for a period of time in excess of six (6) hours were required to work for
7 periods longer than five (5) hours without an uninterrupted meal period of not less than thirty
8 (30) minutes and/or rest period.

9 72. During the relevant time period, Defendants intentionally and willfully required
10 Plaintiffs and the other class members to work during meal periods and failed to compensate
11 Plaintiffs and the other class members the full meal period premium for work performed during
12 meal periods.

13 73. During the relevant time period, Defendants failed to pay Plaintiffs and the other
14 class members the full meal period premium due pursuant to California Labor Code section
15 226.7.

16 74. Defendants' conduct violates applicable IWC Wage Order and California Labor
17 Code sections 226.7 and 512(a).

18 75. Pursuant to applicable IWC Wage Order and California Labor Code section
19 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one
20 additional hour of pay at the employee's regular rate of compensation for each work day that the
21 meal or rest period is not provided.

22 **THIRD CAUSE OF ACTION**

23 **(Violation of California Labor Code § 226.7)**

24 **(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)**

25 76. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
26 through 75, and each and every part thereof with the same force and effect as though fully set
27 forth herein.

28 77. At all times herein set forth, the applicable IWC Wage Order and California Labor

Code section 226.7 were applicable to Plaintiffs' and the other class members' employment by Defendants.

78. At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC.

79. At all relevant times, the applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

80. During the relevant time period, Defendants required Plaintiffs and other class members to work four (4) or more hours without authorizing or permitting a ten (10) minute rest period per each four (4) hour period worked.

81. During the relevant time period, Defendants willfully required Plaintiffs and the other class members to work during rest periods and failed to pay Plaintiffs and the other class members the full rest period premium for work performed during rest periods.

82. During the relevant time period, Defendants failed to pay Plaintiffs and the other class members the full rest period premium due pursuant to California Labor Code section 226.7.

83. Defendants' conduct violates applicable IWC Wage Orders and California Labor Code section 226.7.

84. Pursuant to the applicable IWC Wage Orders and California Labor Code section 226.7(c), Plaintiffs and the other class members are entitled to recover from Defendants one additional hour of pay at the employees' regular hourly rate of compensation for each work day that the rest period was not provided.

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FOURTH CAUSE OF ACTION

(Violation of California Labor Code §§ 1194, 1197, and 1197.1)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

85. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 84, and each and every part thereof with the same force and effect as though fully set forth herein.

86. At all relevant times, California Labor Code sections 1194, 1197, and 1197.1 provide that the minimum wage is to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful.

87. During the relevant time period, Defendants failed to pay minimum wage to Plaintiffs and the other class members as required, pursuant to California Labor Code sections 1194, 1197, and 1197.1. Defendants' failure to pay wages required by law, including and not limited to, minimum, regular, and overtime wages included, *inter alia*, Defendants' effective payment of zero dollars per hour for hours Plaintiffs and the other class members worked off-the-clock performing work duties and automatically deducting meal periods from Plaintiff's and other class members' time records regardless of whether a compliant meal period was taken.

88. Defendants' failure to pay Plaintiffs and the other class members the minimum wage as required violates California Labor Code sections 1194, 1197, and 1197.1. Pursuant to those sections Plaintiffs and the other class members are entitled to recover the unpaid balance of their minimum wage compensation as well as interest, costs, and attorney's fees, and liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

89. Pursuant to California Labor Code section 1197.1, Plaintiffs and the other class members are entitled to recover a penalty of \$100.00 for the initial failure to timely pay each employee wages required by law, including and not limited to, minimum, regular, and overtime wages, and \$250.00 for each subsequent failure to pay each employee wages required by law.

90. Pursuant to California Labor Code section 1194.2, Plaintiffs and the other class members are entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

FIFTH CAUSE OF ACTION

(Violation of California Labor Code §§ 201 and 202)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

91. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 90, and each and every part thereof with the same force and effect as though fully set forth herein.

92. At all relevant times herein set forth, California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

93. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiffs and the other class members who are no longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ. Plaintiffs and other class members were not paid at the time of their discharge wages earned and unpaid throughout their employment, including but not limited to, minimum wages for time worked off-the-clock to perform work duties, and for meal and rest period premium payments.

94. Defendants' failure to pay Plaintiffs and the other class members who are no longer employed by Defendants' their wages, earned and unpaid, within seventy-two (72) hours of their leaving Defendants' employ, is in violation of California Labor Code sections 201 and 202.

95. California Labor Code section 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

96. Plaintiffs and the other class members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to a thirty (30) day maximum

pursuant to California Labor Code section 203.

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 204)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

97. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 96, and each and every part thereof with the same force and effect as though fully set forth herein.

98. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 1st and 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed.

99. At all times herein set forth, California Labor Code section 204 provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

100. At all times herein set forth, California Labor Code section 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

101. During the relevant time period, Defendants intentionally and willfully failed to pay Plaintiffs and the other class members all wages due to them, within any time period permissible under California Labor Code section 204.

102. Plaintiffs and the other class members are entitled to recover all remedies available for violations of California Labor Code section 204.

SEVENTH CAUSE OF ACTION

(Violation of California Labor Code § 226(a))

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

103. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 102, and each and every part thereof with the same force and effect as though fully set

1 forth herein.

2 104. At all material times set forth herein, California Labor Code section 226(a)
3 provides that every employer shall furnish each of his or her employees an accurate itemized
4 statement in writing showing (1) gross wages earned, (2) total hours worked by the employee,
5 (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid
6 on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of
7 the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
8 dates of the period for which the employee is paid, (7) the name of the employee and his or her
9 social security number, (8) the name and address of the legal entity that is the employer, and (9)
10 all applicable hourly rates in effect during the pay period and the corresponding number of hours
11 worked at each hourly rate by the employee. The deductions made from payments of wages
12 shall be recorded in ink or other indelible form, properly dated, showing the month, day, and
13 year, and a copy of the statement or a record of the deductions shall be kept on file by the
14 employer for at least three years at the place of employment or at a central location within the
15 State of California.

16 105. Defendants have intentionally and willfully failed to provide Plaintiffs and the
17 other class members with complete and accurate wage statements. The deficiencies include, but
18 are not limited to: the failure to include the total number of hours worked by Plaintiffs and the
19 other class members.

20 106. As a result of Defendants' violation of California Labor Code section 226(a),
21 Plaintiffs and the other class members have suffered injury and damage to their statutorily-
22 protected rights.

23 107. More specifically, Plaintiffs and the other class members have been injured by
24 Defendants' intentional and willful violation of California Labor Code section 226(a) because
25 they were denied both their legal right to receive, and their protected interest in receiving,
26 accurate and itemized wage statements pursuant to California Labor Code section 226(a).
27 Because Plaintiffs' and the other class members' wage statements did not reflect the accurate
28 number of hours worked, Plaintiffs and the other class members were unable to determine the total

1 amount they were owed, and were unable to verify they were paid the proper amount. In order to
2 determine how much Plaintiffs and the other class members should have been paid, Plaintiffs and
3 the other class members would have had to engage in discovery and mathematical computations
4 in order to reconstruct the missing information.

5 108. Plaintiffs and the other class members are entitled to recover from Defendants the
6 greater of their actual damages caused by Defendants' failure to comply with California Labor
7 Code section 226(a), or an aggregate penalty not exceeding four thousand dollars per employee.

8 109. Plaintiffs and the other class members are also entitled to injunctive relief to
9 ensure compliance with this section, pursuant to California Labor Code section 226(h).

10 **EIGHTH CAUSE OF ACTION**

11 **(Violation of California Labor Code § 1174(d))**

12 **(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)**

13 110. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
14 through 109, and each and every part thereof with the same force and effect as though fully set
15 forth herein.

16 111. Pursuant to California Labor Code section 1174(d), an employer shall keep, at a
17 central location in the state or at the plants or establishments at which employees are employed,
18 payroll records showing the hours worked daily by and the wages paid to, and the number of
19 piece-rate units earned by and any applicable piece rate paid to, employees employed at the
20 respective plants or establishments. These records shall be kept in accordance with rules
21 established for this purpose by the commission, but in any case shall be kept on file for not less
22 than two years.

23 112. Defendants have intentionally and willfully failed to keep accurate and complete
24 payroll records showing the hours worked daily and the wages paid, to Plaintiffs and the other
25 class members.

26 113. As a result of Defendants' violation of California Labor Code section 1174(d),
27 Plaintiffs and the other class members have suffered injury and damage to their statutorily-
28 protected rights.

114. More specifically, Plaintiffs and the other class members have been injured by Defendants' intentional and willful violation of California Labor Code section 1174(d) because they were denied both their legal right and protected interest, in having available, accurate and complete payroll records pursuant to California Labor Code section 1174(d).

NINTH CAUSE OF ACTION

(Violation of California Labor Code §§ 2800 and 2802)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

115. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 114, and each and every part thereof with the same force and effect as though fully set forth herein.

116. Pursuant to California Labor Code sections 2800 and 2802, an employer must reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer.

117. Plaintiffs and the other class members incurred necessary business-related expenses and costs that were not fully reimbursed by Defendants.

118. Defendants have intentionally and willfully failed to reimburse Plaintiffs and the other class members for all necessary business-related expenses and costs, including, *inter alia*, the costs of steel-toed shoes.

119. Plaintiffs and the other class members are entitled to recover from Defendants their business-related expenses and costs incurred during the course and scope of their employment, plus interest accrued from the date on which the employee incurred the necessary expenditures at the same rate as judgments in civil actions in the State of California.

TENTH CAUSE OF ACTION

(Violation of California Business & Professions Code §§ 17200, et seq.)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

120. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 119, and each and every part thereof with the same force and effect as though fully set

1 forth herein.

2 121. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,
3 unlawful and harmful to Plaintiffs, other class members, to the general public, and Defendants'
4 competitors. Accordingly, Plaintiffs seek to enforce important rights affecting the public interest
5 within the meaning of Code of Civil Procedure section 1021.5.

6 122. Defendants' activities as alleged herein are violations of California law, and
7 constitute unlawful business acts and practices in violation of California Business & Professions
8 Code section 17200, et seq.

9 123. A violation of California Business & Professions Code section 17200, et seq. may
10 be predicated on the violation of any state or federal law. In this instant case, Defendants'
11 policies and practices of requiring employees, including Plaintiffs and the other class members,
12 to work overtime without paying them proper compensation violate California Labor Code
13 sections 510 and 1198. Additionally, Defendants' policies and practices of requiring employees,
14 including Plaintiffs and the other class members, to work through their meal and rest periods
15 without paying them proper compensation violate California Labor Code sections 226.7 and
16 512(a). Defendants' policies and practices of failing to provide a day of rest violate California
17 Labor Code sections 551 and 552. Defendants' policies and practices of failing to pay wages
18 required by law violate California Labor Code sections 1194, 1197, and 1197.1. Defendants'
19 policies and practices of failing to pay minimum wages violate California Labor Code sections
20 1194, 1197, and 1197.1. Moreover, Defendants' policies and practices of failing to timely pay
21 wages to Plaintiff and the other class members violate California Labor Code sections 201, 202,
22 and 204. Defendants also violated California Labor Code sections 201, 202, 203, 204, 226,
23 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, and 2698 et seq.

24 124. As a result of the herein described violations of California law, Defendants
25 unlawfully gained an unfair advantage over other businesses.

26 125. Plaintiffs and the other class members have been personally injured by
27 Defendants' unlawful business acts and practices as alleged herein, including but not necessarily
28 limited to the loss of money and/or property.

126. Pursuant to California Business & Professions Code sections 17200, et seq., Plaintiffs and the other class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences July 8, 2017; an award of attorneys' fees pursuant to California Code of Civil procedure section 1021.5 and other applicable laws; and an award of costs.

ELEVENTH CAUSE OF ACTION

(Violation of California Labor Code § 2698, et seq.)

(Against SENSOR SYSTEMS, INC. and DOES 1 through 100)

127. Plaintiff CHAVARIN incorporates by reference the allegations contained in Paragraphs 1 through 126, and each and every part thereof with the same force and effect as though fully set forth herein.

128. PAGA expressly establishes that any provision of the California Labor Code which provides for a civil penalty to be assessed and collected by the LWDA, or any of its departments, divisions, commissions, boards, agencies or employees for a violation of the California Labor Code, may be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself, and other current or former employees.

129. Whenever the LWDA, or any of its departments, divisions, commissions, boards, agencies, or employees has discretion to assess a civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to the same limitations and conditions, to assess a civil penalty.

130. Plaintiff CHAVARIN and the other hourly-paid or non-exempt employees, are "aggrieved employees" as defined by California Labor Code section 2699(c) in that they are all current or former employees of Defendants, and one or more of the alleged violations was committed against them.

Failure to Pay Overtime

131. Defendants' failure to pay overtime in violation of the Wage Orders and California Labor Code sections 510 and 1198, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 510 and 1198.

Failing to Provide Meal Periods

132. Defendants' failure to provide legally required meal periods in violation of the Wage Orders and California Labor Code sections 226.7 and 512(a), as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 226.7 and 512(a).

Failure to Provide Rest Periods

133. Defendants' failure to provide legally required rest periods in violation of the Wage Orders and California Labor Code section 226.7, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code section 226.7.

Failure to Pay Minimum Wages

134. Defendants' failure to pay minimum wages in violation of the Wage Orders and California Labor Code sections 1194, 1197 and 1197.1, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 1194, 1197 and 1197.1.

Failure to Timely Pay Wages Upon Termination

135. Defendants' failure to timely pay wages upon termination in violation of California Labor Code sections 201 and 202, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 201 and 202.

Failure to Timely Pay Wages During Employment

136. Defendants' failure to timely pay wages during employment in violation of California Labor Code section 204, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code section 204.

Failure to Provide Compliant Wage Statements

137. Defendants' failure to provide compliant wage statements in violation of California Labor Code section 226(a), as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code section 226(a).

Failure to Keep Complete or Accurate Payroll Records

138. Defendants' failure to keep complete or accurate payroll records in violation of California Labor Code section 1174(d), as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code section 1174(d).

Failure to Reimburse Necessary Business Expenses

139. Defendants' failure to reimburse all necessary business-related expenses and costs in violation of California Labor Code sections 2800 and 2802, as alleged above, constitutes unlawful and/or unfair activity prohibited by California Labor Code sections 2800 and 2802.

140. Pursuant to California Labor Code section 2699, Plaintiff CHAVARIN, individually, and on behalf of all aggrieved employees, request and are entitled to recover from Defendants and each of them, business expenses, unpaid wages, and/or untimely wages according to proof, interest, attorneys' fees and costs pursuant to California Labor Code section 218.5, as well as all penalties against Defendants, and each of them, including but not limited to:

- a. Penalties under California Labor Code section 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- b. Penalties under California Code of Regulations Title 8 section 11010, *et seq.* in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under California Labor Code section 210 in addition to, and entirely independent and apart from, any other penalty provided in the California Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation; and
- d. Any and all additional penalties and sums as provided by the California Labor Code and/or other statutes.

141. Pursuant to California Labor Code section 2699(i), civil penalties recovered by aggrieved employees shall be distributed as follows: seventy-five percent (75%) to the Labor and Workforce Development Agency for the enforcement of labor laws and education of

1 employers and employees about their rights and responsibilities and twenty-five percent (25%)
2 to the aggrieved employees.

3 142. Further, Plaintiff CHAVARIN is entitled to seek and recover reasonable attorneys'
4 fees and costs pursuant to California Labor Code sections 210, 218.5 and 2699 and any other
5 applicable statute.

6 **DEMAND FOR JURY TRIAL**

7 Plaintiffs, individually, and on behalf of other members of the general public similarly
8 situated, and Plaintiff CHAVARIN, individually and on behalf of other aggrieved employees
9 pursuant to the California Private Attorneys General Act, request a trial by jury.

10 **PRAYER FOR RELIEF**

11 WHEREFORE, Plaintiffs, individually, and on behalf of other members of the general
12 public similarly situated, and Plaintiff CHAVARIN, individually and on behalf of other
13 aggrieved employees pursuant to the California Private Attorneys General Act, pray for relief
14 and judgment against Defendants, jointly and severally, as follows:

15 **Class Certification**

- 16 1. That this action be certified as a class action;
17 2. That Plaintiffs be appointed as the representatives of the Class;
18 3. That counsels for Plaintiffs be appointed as Class Counsel; and
19 4. That Defendants provide to Class Counsel immediately the names and most
20 current/last known contact information (address, e-mail and telephone numbers) of all class
21 members.

22 **As to the First Cause of Action**

- 23 5. That the Court declare, adjudge and decree that Defendants violated California
24 Labor Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay
25 all overtime wages due to Plaintiffs and the other class members;

- 26 6. For general unpaid wages at overtime wage rates and such general and special
27 damages as may be appropriate;

- 28 7. For pre-judgment interest on any unpaid overtime compensation commencing

1 from the date such amounts were due;

2 8. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
3 California Labor Code section 1194; and

4 9. For such other and further relief as the Court may deem just and proper.

5 **As to the Second Cause of Action**

6 10. That the Court declare, adjudge and decree that Defendants violated California
7 Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to
8 provide all meal periods (including second meal periods) to Plaintiffs and the other class
9 members;

10 11. That the Court make an award to Plaintiffs and the other class members of one
11 (1) hour of pay at each employee's regular rate of compensation for each workday that a meal
12 period was not provided;

13 12. For all actual, consequential, and incidental losses and damages, according to
14 proof;

15 13. For premium wages pursuant to California Labor Code section 226.7(c);

16 14. For pre-judgment interest on any unpaid wages from the date such amounts were
17 due;

18 15. For reasonable attorneys' fees and costs of suit incurred herein; and

19 16. For such other and further relief as the Court may deem just and proper.

20 **As to the Third Cause of Action**

21 17. That the Court declare, adjudge and decree that Defendants violated California
22 Labor Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all
23 rest periods to Plaintiffs and the other class members;

24 18. That the Court make an award to Plaintiffs and the other class members of one
25 (1) hour of pay at each employee's regular rate of compensation for each workday that a rest
26 period was not provided;

27 19. For all actual, consequential, and incidental losses and damages, according to
28 proof;

20. For premium wages pursuant to California Labor Code section 226.7(c);
21. For pre-judgment interest on any unpaid wages from the date such amounts were due; and
22. For such other and further relief as the Court may deem just and proper.

As to the Fourth Cause of Action

23. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 1194, 1197, and 1197.1 by willfully failing to pay minimum wages to Plaintiffs and the other class members;

24. For general unpaid wages and such general and special damages as may be appropriate;

25. For statutory wage penalties pursuant to California Labor Code section 1197.1 for Plaintiffs and the other class members in the amount as may be established according to proof at trial;

26. For pre-judgment interest on any unpaid compensation from the date such amounts were due;

27. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 1194(a);

28. For liquidated damages pursuant to California Labor Code section 1194.2; and

29. For such other and further relief as the Court may deem just and proper.

As to the Fifth Cause of Action

30. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at the time of termination of the employment of Plaintiffs and the other class members no longer employed by Defendants;

31. For all actual, consequential, and incidental losses and damages, according to proof;

32. For statutory wage penalties pursuant to California Labor Code section 203 for Plaintiffs and the other class members who have left Defendants' employ;

33. For pre-judgment interest on any unpaid compensation from the date such amounts were due; and

34. For such other and further relief as the Court may deem just and proper.

As to the Sixth Cause of Action

35. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to pay all compensation owed at the time required by California Labor Code section 204 to Plaintiffs and the other class members;

36. For all actual, consequential, and incidental losses and damages, according to proof;

37. For pre-judgment interest on any unpaid compensation from the date such amounts were due; and

38. For such other and further relief as the Court may deem just and proper.

As to the Seventh Cause of Action

39. That the Court declare, adjudge and decree that Defendants violated the record keeping provisions of California Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiffs and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

40. For actual, consequential and incidental losses and damages, according to proof;

41. For statutory penalties pursuant to California Labor Code section 226(e);

42. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code section 226(h); and

43. For such other and further relief as the Court may deem just and proper.

As to the Eighth Cause of Action

44. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 1174(d) by willfully failing to keep accurate and complete payroll records for Plaintiffs and the other class members as required by California Labor Code section 1174(d);

45. For actual, consequential and incidental losses and damages, according to proof;

46. For statutory penalties pursuant to California Labor Code section 1174.5; and

1 47. For such other and further relief as the Court may deem just and proper.

2 **As to the Ninth Cause of Action**

3 48. That the Court declare, adjudge and decree that Defendants violated California
4 Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other
5 class members for all necessary business-related expenses as required by California Labor Code
6 sections 2800 and 2802;

7 49. For actual, consequential and incidental losses and damages, according to proof;

8 50. For the imposition of civil penalties and/or statutory penalties;

9 51. For reasonable attorneys' fees and costs of suit incurred herein; and

10 52. For such other and further relief as the Court may deem just and proper.

11 **As to the Tenth Cause of Action**

12 53. That the Court decree, adjudge and decree that Defendants violated California
13 Business and Professions Code sections 17200, et seq. by failing to provide all meal and rest
14 periods to Plaintiffs and the other class members, failing to pay at least wages required by law,
15 including and not limited to, minimum, regular, and overtime wages to Plaintiffs and the other
16 class members, failing to pay Plaintiffs' and the other class members' wages timely, in violation
17 of California Labor Code sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174,
18 1174.5, 1175, 1194, 1197, 1197.1, 1198, and 2698 et seq.

19 54. For restitution of unpaid wages to Plaintiffs and all the other class members and
20 all pre-judgment interest from the day such amounts were due and payable;

21 55. For the appointment of a receiver to receive, manage and distribute any and all
22 funds disgorged from Defendants and determined to have been wrongfully acquired by
23 Defendants as a result of violation of California Business and Professions Code sections 17200,
24 et seq.;

25 56. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
26 California Code of Civil Procedure section 1021.5;

27 57. For injunctive relief to ensure compliance with this section, pursuant to California
28 Business and Professions Code sections 17200, et seq.; and

1 58. For such other and further relief as the Court may deem just and proper.

2 **As to the Eleventh Cause of Action**

3 59. For civil penalties and wages pursuant to California Labor Code sections 2699(a),
4 (f) and (g) plus costs and attorneys' fees for violation of California Labor Code sections 201,
5 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1,
6 1198, and 2698 et seq.; and

7 60. For such other and further relief as the Court may deem equitable and appropriate.

8 Dated: October 4, 2022

LAWYERS for JUSTICE, PC

9
10 By: 
11 Edwin Aiwanian
12 Attorneys for Plaintiff Christian Rojas
13 Cruz
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EXHIBIT B

NOTICE OF CLASS ACTION SETTLEMENT

***Christian Rojas Cruz v. Sensor Systems, Inc., Superior Court of California for the County of Los Angeles,
Case No. 21STCV25102***

***Miguel Chavarin v. Sensor Systems, Inc., Superior Court of California for the County of Los Angeles,
Case No. 21STCV42647***

PLEASE READ THIS NOTICE CAREFULLY.

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

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

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

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Christian Rojas Cruz and Miguel Chavarin (together, "Plaintiffs") and Defendant Sensor Systems, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the cases entitled *Christian Rojas Cruz v. Sensor Systems Inc.*, Superior Court of California for the County of Los Angeles, Case No. 21STCV25102 and *Miguel Chavarin v. Sensor Systems Inc.*, Superior Court of California for the County of Los Angeles, Case No. 21STCV42647 (together "Lawsuit"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"**Aggrieved Employees**" means all current and former hourly-paid or non-exempt employees of Defendant in California employed between April 5, 2020 through June 20, 2022.

"**Class**" mean all current and former hourly-paid or non-exempt employees of Defendant in California employed between July 8, 2017 through June 20, 2022.

"**Class Member**" means a member of the Class.

"**Class Period**" means the time period from July 8, 2017 through June 20, 2022.

"**Class Settlement**" means the settlement and release of the Released Class Claims.

"**PAGA Period**" means the period from April 5, 2020 through June 20, 2022.

"**PAGA Settlement**" means the settlement and release of the Released PAGA Claims.

II. BACKGROUND OF THE LAWSUIT

On July 8, 2021, Christian Rojas Cruz commenced a putative class action lawsuit by filing the Class Action Complaint for Damages ("*Cruz Complaint*") in the Los Angeles County Superior Court, Case No. 21STCV25102 ("*Cruz Action*").

On November 18, 2021, Miguel Chavarin filed a Class Action Complaint for Damages in the Los Angeles Superior Court, Case No. 21STCV42647 ("*Chavarin Action*").

On November 18, 2021, Miguel Chavarin also provided written notice to the Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Defendant is alleged to have violated and of his intent to pursue civil penalties under PAGA ("*Chavarin PAGA Notice*").

On January 27, 2022, Miguel Chavarin filed a First Amended Class Action Complaint Pursuant to California Code of Civil Procedure § 382, adding a Private Attorneys General Act (“PAGA”) cause of action (“*Chavarin* Complaint”).

On February 10, 2022, Defendant filed a Notice of Related Case, deeming the *Cruz* Action and *Chavarin* related in the Los Angeles County Superior Court (together, the *Cruz* Action and *Chavarin* Action are referred to as “Lawsuit”).

On [date], Plaintiff Christian Rojas Cruz filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the *Cruz* Action (“Operative Complaint”), adding Miguel Chavarin as a plaintiff and his class and PAGA claims, including and not limited to those asserted in the *Chavarin* Action and the Chavarin PAGA Notice.

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

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

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Simpluris, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Christian Rojas Cruz and Miguel Chavarin as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Edwin Aiwarzian
Arby Aiwarzian
Joanna Ghosh
Yasmin Hosseini
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

James Hawkins
Gregory Mauro
James Hawkins, APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200 / Fax: (949) 387-6676

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment. If you are a Class Member, you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below. If you are an Aggrieved Employee, you will automatically receive an Individual PAGA Payment; you will not have the opportunity to object to or seek exclusion from the PAGA Settlement; all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Lawsuit have merit or that Defendant has any liability to Plaintiffs, Class Members, the State of California, and/or Aggrieved Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation,

the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members, the State of California, and Aggrieved Employees. The Court has made no ruling on the merits of the claims in the Lawsuit and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Nine Hundred Fifty Thousand Dollars (\$950,000) (the “Total Settlement Amount”). The portion of the Total Settlement Amount that is available for payment to Class Members who do not opt out of the Class Settlement (“Settlement Class Members”) is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Total Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees in an amount of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., \$332,500) and reimbursement of actual costs and expenses in an amount not to exceed Thirty Three Thousand Dollars (\$33,000) to Class Counsel (collectively, “Attorneys’ Fees and Costs”); (2) enhancement payments in an amount not to exceed Ten Thousand Dollars (\$10,000) each to Plaintiffs Christian Rojas Cruz and Miguel Chavarin (totaling \$20,000) for their services (“Enhancement Payments”); (3) the allocation of Two Hundred Thousand Dollars (\$200,000) to settle all claims under PAGA (“PAGA Penalty Amount”), of which 75%, or \$150,000, will be paid to the LWDA (“LWDA Payment”) and the remaining 25%, or \$50,000, will be paid to Aggrieved Employees on a *pro rata* basis; and (4) settlement administration costs in an amount not to exceed Ten Thousand Dollars (\$10,000) to the Settlement Administrator (“Settlement Administration Costs”).

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks that each Class Member was credited to have worked for Defendant as an hourly paid or non-exempt employee during the Class Period, which will be calculated by the Settlement Administrator by determining the number of workweeks paid and excluding those weeks during which the Company was closed in December and full workweeks on leave of absence and full workweeks on vacation, neither of which were included in the calculation (“Workweeks”).

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion (“Settlement Class Members”) will be issued payment of their final Individual Settlement Share.

Each Individual Settlement Share will be allocated twenty percent (20%) wages which will be reported on an IRS Form W2 and eighty percent (80%) penalties and interest which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of Individual Settlement Shares, resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”).

Aggrieved Employees will receive payment under the PAGA Settlement of their *pro rata* share of the 25% share of the PAGA Penalty Amount (“Individual PAGA Payment”) based on the number of Workweeks that each PAGA Member worked during the PAGA Period.

The Settlement Administrator has divided the 25% of the PAGA Penalty Amount by the Workweeks during the PAGA Period for all Aggrieved Employees to yield the “PAGA Workweeks Value,” and multiplied each Aggrieved Employee’s individual Workweeks during the PAGA Period by the PAGA Workweeks Value to yield his or her estimated Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in Section III.C below). Aggrieved Employees shall receive an Individual PAGA Payment and shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

Each Individual PAGA Payment will be allocated as follows: one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if necessary). The Settlement Administrator will issue checks to Aggrieved Employees for the full amount of their Individual PAGA Payments without undertaking any withholdings.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the

Settlement Administrator by way of check following the deposit of the Total Settlement Amount by Defendant. The Settlement Administrator may, at its discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way of a single check that combines both payments (if applicable). **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records, you have worked for Defendant as a direct or temporary non-exempt employee in California for:

- [REDACTED] Workweeks during the Class Period, i.e., from July 8, 2017 through June 20, 2022.
- [REDACTED] Workweeks during the PAGA Period, i.e., from April 5, 2020 through June 20, 2022.

If you wish to dispute the Workweeks credited to you, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. The written letter must: (a) contain the case name and number of the *Cruz* Action; (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) state that you dispute the number of Workweeks credited to you and what you contend is the correct number that should be credited to you; (e) include information and/or attach documentation demonstrating that the number of Workweeks that you contend should be credited to you is correct; and (f) be returned by mail to the Settlement Administrator at the address specified in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and/or Individual PAGA Payment

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you during the Class Period and your estimated Individual PAGA Payment is based on the number of Workweeks credited to you during the PAGA Period.

- **Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**
- **Your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment may be higher or lower.

D. Release of Claims

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

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, Aggrieved Employees, and the State of California (with respect to employment of Aggrieved Employees by Defendant during the PAGA Period) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims he, she, or it may have or had. The Aggrieved Employees are bound by the PAGA Settlement regardless of whether they cash or deposit their Individual PAGA Payment check, and even if they object to or opt out of the Class Settlement.

"Released Class Claims" means any and all claims under state, federal, or local law, arising out of the facts alleged in the Operative Complaint, arising during the Class Period, including but not limited to claims under the California Labor Code, Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law for failure to pay overtime wages,

failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, and violation of California's unfair competition law.

"Released PAGA Claims" means any and all claims for civil penalties under the Private Attorneys General Act (California Labor Code § 2698, et seq.), arising out of the facts alleged in Plaintiff Chavarin's PAGA Notice, arising during the PAGA Period, for failure to pay overtime wages, failure to provide compliant meal period and associated premiums, failure to provide compliant rest periods and associated premiums, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses.

"Released Parties" means Defendant, and all of its present and former parent companies, subsidiaries, and divisions, and their shareholders, directors, officers, agents, employees, attorneys, insurers, successors, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., up to \$332,500) and reimbursement of actual costs and expenses in an amount not to exceed Thirty-Three Thousand Dollars (\$33,000) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Total Settlement Amount. Class Counsel have been prosecuting the Lawsuit on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Ten Thousand Dollars (\$10,000) to each of them ("Enhancement Payments"), in recognition of their services in connection with the Lawsuit. The Enhancement Payments will be paid from the Total Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their Individual Settlement Payments and/or Individual PAGA Payments (if applicable) that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Ten Thousand Dollars (\$10,000) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members and Aggrieved Employees of the Settlement, processing Requests for Exclusion, Notices of Objection, and disputes of Workweeks, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Total Settlement Amount, subject to approval by the Court.

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

A. Participate in the Class Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement. Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Parties for the Released Class Claims described in Section III.D above.

If you are an Aggrieved Employee, you will automatically be bound to the PAGA Settlement and issued your Individual PAGA Payment.

As a Class Member or Aggrieved Employee, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a timely, written request for exclusion from the Class Settlement (“Request for Exclusion”) to the Settlement Administrator at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the *Cruz* Action; (b) be signed by you; (c) state your full name, address, telephone number, and last four digits of your Social Security Number; (d) contain a statement indicating that you do not wish to be included in the Class Settlement; and (e) be submitted to the Settlement Administrator by mail, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion from the Class Settlement will not be entitled to receive an Individual Settlement Payment from the Class Settlement, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Any Class Members who do not submit a valid and timely and valid request for exclusion from the Class Settlement will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of Released Class Claims described in Section III.D above, as well as the contemplated judgment to be entered by the Court (as it pertains to the Class Settlement), if the Court grants final approval of the Settlement. However, consistent with applicable law, Aggrieved Employees may not exclude themselves from the PAGA Settlement and will be bound by all terms of the PAGA Settlement, including those pertaining to the release of Released PAGA Claims described in Section III.D above, and any judgment that may be entered by the Court (as it pertains to the PAGA Settlement), if it grants final approval to the Settlement.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion from the Class Settlement, by submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

A Notice of Objection must: (a) contain the case name and number of the *Cruz* Action; (b) contain your full name, signature, address, telephone number, and the last four digits of your Social Security Number; (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (f) be mailed to the Settlement Administrator at the address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 9 of the Los Angeles County Superior Court, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012, on [date], at [time] a.m., to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

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

Please note, due to COVID-19, there are limitations on personal appearances and telephonic appearances are an option. You can find the Court’s most current COVID-19 guidelines online at: <https://www.lacourt.org/>. You can find information regarding appearing remotely through LA Court Connect online at: <http://www.lacourt.org/laccedibility/ui/civil.aspx?casetype=ci>. Please note that there may be deadlines to reserve a remote appearance and reservation fees or charges may apply.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement

Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Lawsuit for a fee by making an appointment in advance and visiting the civil clerk's office, located at Stanley Mosk Courthouse, 111 North Hill Street, California, 90012, during business hours, or online by visiting the following website:
<http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>.

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

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