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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

ALFREDO SALAZAR MEZA, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

OPEN DOOR PACKAGING, LLC, a California
limited liability company; OPEN DOOR
SOLUTIONS LLC, a California limited liability
company; and DOES 1 through 100,

Defendants.

Case No.: CIVSB2200570

*[Assigned for all purposes to Hon. Joseph T.
Ortiz; Dept. S-17]*

**DECLARATION OF SEAN M.
BLAKELY IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: June 12, 2023

Time: 1:30 p.m.

Dept.: S-17

Complaint Filed: January 4, 2022

Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

2 1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiff
3 Alfredo Salazar Meza ("Plaintiff") and the proposed Settlement Class in the above-captioned
4 matter. I am a member in good standing of the bar of the State of California and am admitted to
5 practice in this Court. I have personal knowledge of the facts stated in this declaration and could
6 testify competently to them if called upon to do so.

7 2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California
8 State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk
9 for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein &
10 Marias I assisted trial attorneys in employment and personal injury cases. From September 2011
11 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC
12 in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused
13 on representing employees in wage and hour class actions. My work at Mahoney Law Group,
14 APC also included representing employees in individual claims for wrongful termination,
15 harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I
16 performed at Mahoney Law Group, APC included: conducting client intakes, performing pre-
17 filing research and analysis, drafting complaints, attending court hearings, corresponding with
18 opposing counsel, drafting and responding to written discovery, preparing for and taking and
19 defending depositions, analyzing payroll and timekeeping records and employee handbooks,
20 opposing motions for summary judgment, as well as a variety of other motions such as motions
21 for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to
22 quash, and motions for class certification, drafting mediation briefs, attending mediations,
23 drafting long-form settlement agreements, drafting motions for preliminary and final settlement
24 approval, and overseeing the notice process.

25 3. Since November 8, 2016, I have worked at my current firm, Haines Law Group,
26 APC, where, in 2020, I became a Partner. I am currently responsible for managing over forty (40)
27 active wage and hour class and representative actions in both state and federal court.

28 4. The following is a non-exhaustive list of wage and hour class actions in which I

1 have been appointed as class counsel and/or played a significant role in prosecuting the litigation,
2 and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al*, Case
3 No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding
4 (granted final approval of settlement on behalf of employees at rehabilitation facility involving
5 claims for unpaid wages and meal and rest period violations, and other claims, in which I was
6 approved at an hourly rate of \$325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance*
7 *Medical Center, Inc.*, California Superior Court, Los Angeles County, Judge William F.
8 Highberger presiding (granting final approval of settlement on behalf of healthcare workers for
9 unpaid wages, meal and rest period violations, and other claims, in which I was approved at an
10 hourly rate of \$325 for work performed in 2012-2013); *Arteaga v. Command Center Security,*
11 *Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard
12 Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving
13 claims for unpaid overtime, meal and rest period violations, and other claims, in which I was
14 approved at an hourly rate of \$425 for work performed in 2012-2015); *Casadine v. Maxim*
15 *Healthcare Services, Inc.*, Case No. CV 12-10078-DMG (CWx), United States District Court,
16 Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement
17 on behalf of home health care employees involving claims for unpaid wages and other claims, in
18 which I was approved at an hourly rate of \$425 for work performed in 2012-2015); *Guzman v.*
19 *Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los
20 Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf
21 of construction workers involving claims for unpaid wages, meal and rest period violation, and
22 other claims, in which I was approved at an hourly rate of \$425 for work performed in 2014-
23 2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California
24 Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of
25 settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period
26 violations, and other claims, in which I was approved at an hourly rate of \$425 for work performed
27 in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior
28 Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of

1 settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and
2 related violations, approved at hourly rate of \$475 for work performed in 2016 and 2017); *Galvan*
3 *v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California
4 Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of
5 settlement on behalf of non-exempt employees of a chemical manufacturing company involving
6 claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*,
7 Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge
8 Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid
9 overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et*
10 *al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F.
11 Highberger presiding (granting final approval of settlement involving claims for wage statement
12 violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case
13 No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger
14 presiding (granting final approval of settlement on behalf of direct support professionals involving
15 claims for unpaid wages, meal and rest period violations, wage statement violations, and other
16 claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior Court,
17 Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on
18 behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval v.*
19 *AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County,
20 Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of
21 manufacturing employees involving claims for unpaid wages, meal period violations, rest period
22 violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No.
23 RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding
24 (granting final approval of settlement on behalf of non-exempt employees of a freight railcar
25 manufacturer involving claims for unpaid overtime and minimum wages, meal period violations,
26 and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior
27 Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of
28 settlement involving claims for unpaid overtime and minimum wages, rest period violations, wage

statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf of non-exempt

1 commissioned salespersons and other employees involving claims for unpaid wages, meal and
2 rest period violations, unreimbursed business expenses, and other claims); and *Matthew Tovar, et*
3 *al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior Court, Los Angeles
4 County, Judge Daniel J. Buckley presiding (granting final approval of settlement on behalf of
5 non-exempt employees involving claims for unpaid overtime, meal and rest break violations, and
6 other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No. CGC-18-566393, California
7 Superior Court, San Francisco County, Judge Ethan P. Schulman presiding (granting final
8 approval of settlement on behalf of sales development representatives involving claims for unpaid
9 overtime, meal and rest period violations, and penalty claims); *Tracy Aguilar, et al. v. Aero Port*
10 *Services, Inc.*, Case No. BC659234, California Superior Court, Los Angeles County, Judge
11 Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt
12 employees involving claims for meal and rest period violations, and other claims); *Carlos Perez,*
13 *et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California Superior Court,
14 Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of settlement on
15 behalf of non-exempt commissioned salespersons involving claims for unpaid wages, meal and
16 rest period violations, other claims); and *Julio Alfaro v. Orange Automotive d/b/a Kia of Orange,*
17 Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court, Orange County, Judge
18 Randall J. Sherman presiding (granting final approval settlement on behalf of non-exempt
19 commissioned employees involving claims for unpaid wages, meal and rest period violations,
20 unreimbursed business expenses, and penalty claims).

21 5. I have also moved to certify and have received an order certifying a class action in
22 *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States
23 District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six
24 classes of employees for rest period violations, wage statement violations, meal period violations,
25 and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No.
26 16-CV-02749-WQH (BLM), United States District Court, Southern District of California,
27 Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes,
28 wage statement class, and waiting time penalty class).

1 6. In 2018, 2019, 2020, 2021, and 2022, Thomson Reuters recognized me as a Top
2 Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This
3 is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of
4 forty in Southern California each year.

5 7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately
6 involved in every aspect of this case from its inception through the present, and I believe that the
7 proposed Settlement is an excellent result for the Settlement Class.

8 8. Defendant Open Door Packaging, LLC dba Open Door Solutions, LLC (“Open
9 Door”) provides warehouse and fulfillment services for the hair care and beauty industry in Chino,
10 California.

11 9. On January 4, 2022, Plaintiff filed his Class Action Complaint in San Bernardino
12 County Superior Court, alleging that Open Door: (i) failed to pay all minimum wages; (ii) failed
13 to pay all overtime wages; (iii) failed to provide all lawful meal periods; (iv) failed to issue
14 accurate, itemized wage statements; (v) failed to pay all final wages due upon separation of
15 employment; and (vi) engaged in unfair competition in violation of California Business &
16 Professions Code § 17200 *et seq.* On January 4, 2022, Plaintiff sent his PAGA notice letter to the
17 Labor and Workforce Development Agency (“LWDA”). As part of the Settlement and through
18 this Motion, Plaintiff respectfully requests that the Court approve the filing of a First Amended
19 Class and Representative Action Complaint (“FAC”) to add a cause of action for civil penalties
20 under the Private Attorneys’ General Act of 2004, Labor Code Section 2698, *et seq.* A true and
21 correct copy of Plaintiff’s January 4, 2022 PAGA letter to the Labor & Workforce Development
22 Agency (“LWDA”) is attached hereto as **Exhibit B**. A true and correct copy of Plaintiff’s FAC
23 is attached hereto as **Exhibit C**.

24 10. In connection with mediation, the Parties engaged in extensive informal discovery.
25 Open Door produced timekeeping and payroll data for a sampling of Settlement Class members
26 during the relevant Class Period, as well as its employee handbooks and written wage and hour
27 policies in effect during the Class Period. Open Door also provided relevant data points such as
28 the total number of workweeks in the Class Period and the total number of Settlement Class

members employed by Open Door in California during the Class Period. Plaintiff conducted a comprehensive analysis and extrapolation of the payroll and timekeeping data produced by Open Door to create a detailed exposure analysis for all claims at issue. This discovery allowed the Parties to assess the merits and value of Plaintiff's claims, the chances of certification of Plaintiff's claims, and Open Door's potential defenses.

11. On October 11, 2022, the Parties participated in a full-day mediation with Phillip Cha, Esq., a well-respected wage and hour class action mediator. During mediation, the Parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's claims, and the legal basis for the claims and defenses. At the conclusion of the mediation, Mr. Cha issued a mediator's proposal for a class-wide settlement, which was ultimately accepted by both sides. During the months that followed, the Parties finalized the terms of the Settlement and executed the long-form Settlement Agreement now before the court. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit A**. The proposed Class Notice and Notice of Estimated Settlement Payment are attached as **Exhibits 1 and 2**, respectively, to the Settlement Agreement.

12. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount ("GSA"):	\$230,000.00
• Minus Court-approved attorneys' fees:	\$76,666.66
• Minus Court-approved verified costs (up to):	\$10,000.00
• Minus Court-approved Service Payment:	\$10,000.00
• Minus amount set aside as PAGA penalties:	\$20,000.00
• <u>Minus estimated settlement administration costs:</u>	<u>\$7,500.00</u>
Net Settlement Amount ("NSA"):	\$105,833.34
• PLUS 25% "PAGA Payment" to Settlement Class:	\$5,000.00
Total Amount Paid to Settlement Class members:	\$110,833.34

13. According to Open Door, there are approximately 43 Settlement Class members. Therefore, the average Individual Settlement Payment from the NSA is projected to be approximately \$2,461.24. There are approximately 21 Aggrieved Employees during the PAGA Period. Therefore, each Aggrieved Employee will receive an average of approximately \$238.10 from the PAGA Payment.

1 14. As detailed in Plaintiff's Motion for Preliminary Approval, Plaintiff alleges that
2 Open Door utilized a timekeeping policy/practice that systematically underpaid wages through a
3 process of unlawful rounding. Plaintiff alleges that Open Door required Plaintiff and Settlement
4 Class members to clock in and out using a system that records hours to the minute; however,
5 Open Door thereafter rounded the hours worked to employees' detriment, which resulted in a
6 systematic underpayment of wages. Based on Plaintiff's analysis of Open Door's time and payroll
7 records, Plaintiff contends Open Door's rounding practices resulted in approximately 1,057 hours
8 of unpaid wages. Therefore, Plaintiff estimates Open Door's maximum exposure for this claim at
9 approximately \$27,482 (1,057 hours * \$13.00 weighted average min. wage * 2 [liquidated
10 damages per Labor Code § 1194.2]). However, Open Door counters that it utilizes a neutral time-
11 rounding mechanism that results, over time, in employees being paid for all hours worked. Open
12 Door also argues that any unpaid time could have only amounted to a few minutes per day, at
13 most, and was thus *de minimis*. Finally, Open Door asserts that Plaintiff would be unable to certify
14 this claim since its rounding policy is facially neutral and some employees were *overpaid* due to
15 rounding, and individualized inquiries would be necessary as to whether employees were, in fact,
16 underpaid or overpaid for each workday in question (including whether they were actually
17 working when they were clocked in), resulting in an unmanageable series of mini-trials. Based
18 on these defenses, Plaintiff discounted the estimated maximum amount by 30% for the risk of
19 non-certification and by an additional 35% to account for the risk of losing on the merits or failure
20 to recover the maximum amount sought to arrive at an estimated exposure of approximately
21 \$12,504.

22 15. Plaintiff alleges Open Door failed to provide legally compliant first meal periods
23 such that first meal periods were regularly short and often commenced after the completion of the
24 fifth hour of work, and that this is reflected in employee timekeeping records that show many
25 such non-compliant meal periods. Based on Plaintiff's review and extrapolation of the
26 timekeeping data produced by Open Door, 12,741 shifts during the Class Period reflected a late,
27 short, and/or missed first meal period. In addition, based on data provided by Open Door,
28 Settlement Class members' average hourly rate of pay during the Class Period was \$19.71 per

1 hour. Therefore, assuming each late, short, and/or missed meal period reflected in the timekeeping
2 records would result in a violation, Plaintiff calculated Open Door's maximum exposure on this
3 claim at approximately \$251,125 (12,741 non-compliant first meal periods * \$19.71 average meal
4 period premium). Plaintiff also alleges that Settlement Class members were not provided with
5 second meal periods when they worked shifts in excess of 10.0 hours in a workday. Plaintiff's
6 analysis and extrapolation of the timekeeping data revealed that approximately 4,383 total shifts
7 were over 10.0 hours and did not reflect a legally compliant second meal period. Plaintiff therefore
8 calculates Open Door's exposure for second meal period violations at approximately \$86,389
9 (4,383 non-compliant second meal periods * \$19.71 average premium). However, Open Door
10 counters it has maintained compliant written meal period policies throughout the Class Period
11 and has always provided compliant meal periods in line with those policies. Open Door further
12 contends that it always *provides* employees the opportunity to take meal periods and is not
13 required to *ensure* they are taken. Thus, Open Door argues that any missed or short second meal
14 periods resulted from lawful employee choice rather than any policy and/or practice of Open
15 Door. Open Door also asserts that many employees choose to waive their second meal periods on
16 shifts over 10.0 hours and under 12.0 hours, as they may do under Labor Code § 512(a), so they
17 do not need to stay at work for an extra unpaid 30 minutes. Finally, Open Door maintains
18 Plaintiff's meal period claim is not suited for class certification since individual inquiries would
19 be needed to assess which employees if any, took non-compliant or missed meal periods, how
20 many meal periods were non-compliant or missed, the reasons why a particular employee did not
21 take a meal period on a particular shift, and whether they waived the meal period. In light of these
22 defenses and arguments, Plaintiff discounted Open Door's maximum exposure for the first meal
23 period claim by 35% for the risk of non-certification, and an additional 35% to account for Open
24 Door's defenses on the merits, to arrive at an estimated total of approximately \$106,100.
25 Additionally, in light of these same defenses and arguments, Plaintiff discounted Open Door's
26 maximum exposure for the second meal period claim by 35% for the risk of non-certification and
27 an additional 35% for the risk of losing on the merits, or having exposure reduced due to Open
28 Door's waiver arguments, to arrive at estimated exposure of \$36,499.

1 16. As a result of the unpaid wages and unpaid meal period premium wages described
2 above, Plaintiff alleges that Open Door failed to comply with its final pay obligations set forth in
3 Labor Code §§ 201-203. Open Door's records reflected approximately 34 former Settlement
4 Class members who are eligible for waiting time penalties. Based on an hourly rate of \$19.71,
5 Plaintiff estimated the average waiting time penalty per former employee to be \$4,730 ($\$19.71 * 8$
6 $\text{hours per day} * 30 \text{ days}$). Therefore, Plaintiff calculated Open Door's maximum exposure for
7 potential waiting time penalties to be approximately \$160,820 ($34 \text{ former employees} * \$4,730$
8 average penalty). Open Door argues that it possesses strong, good faith defenses to Plaintiff's
9 underlying claims, thus precluding recovery of waiting time penalties, which are only available
10 for the "willful" failure to pay wages. Open Door further asserts that Plaintiff's waiting time
11 penalty exposure was grossly inflated as not every former employee experienced the alleged
12 Labor Code violations. Moreover, because the waiting time claim is derivative of Plaintiff's
13 underlying wage claims, Plaintiff would need to overcome Open Door's defenses, both as to class
14 certification and on the merits, as to his underlying claims. To account for Open Door's defenses,
15 Plaintiff discounted the maximum exposure by 40% for the risk of non-certification and an
16 additional 40% for the risk of losing on the merits and/or not receiving the maximum penalties
17 sought, to arrive at an estimated exposure of approximately \$57,895.

18 17. As a further result of the unpaid wages and unpaid meal period premium wages
19 described above, Plaintiff alleges that Open Door is liable for wage statement penalties. Those
20 penalties are calculated as \$50 for each "initial" violation and \$100 for each "subsequent"
21 violation, with a maximum of \$4,000 per employee. Plaintiff's analysis reflected that there were
22 approximately 21 unique employees and approximately 688 pay periods worked during the
23 liability period applicable to Plaintiff's wage statement claim. Plaintiff, therefore, calculated
24 Open Door's potential wage statement exposure at approximately \$67,750 ($[21 \text{ "initial"} * \$50] + [667 \text{ "subsequent"} * \$100]$). Open Door argues any alleged wage
25 statement violations were not "knowing and intentional," and Plaintiff cannot show he or other
26 employees "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor
27 Code § 226(e) for the imposition of penalties. Further, Open Door contends its wage statements
28

1 always accurately reflected hours worked and amounts paid as well as all other required
2 information, precluding liability for wage statement penalties. In light of Open Door’s arguments
3 that no violations occurred, that employees suffered no “injury,” that any alleged violations were
4 not “knowing and intentional,” that the wage statements always accurately reflected hours worked
5 and amounts paid to employees, as well as risks associated with Plaintiff’s underlying claims
6 discussed above, Plaintiff discounted the maximum exposure by 40% for risk of non-certification,
7 and by an additional 40% for risk of being unsuccessful on the merits, for an estimated realistic
8 exposure of approximately \$24,390.

9 18. As a result of the foregoing Labor Code violations, Plaintiff alleges that Open
10 Door is liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA
11 exposure of approximately \$68,800 (688 pay periods * \$100 “initial” penalty). Since Plaintiff’s
12 PAGA claim is derivative of Plaintiff’s underlying wage claims, Open Door asserts the PAGA
13 claim would fail with those claims. Open Door further maintains that, given its good faith
14 defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties if
15 it were to find Open Door liable for any of Plaintiff’s claims. Therefore, Plaintiff discounted the
16 maximum figure by 45% for the risk of losing on the merits and/or not recovering a PAGA penalty
17 for every pay period, and an additional 45% to account for the possibility of this Court reducing
18 penalties, to arrive at an estimated exposure of approximately \$20,812.

19 19. Using these estimated figures for each of the claims described above, Plaintiff
20 predicted that the potential recovery for the Settlement Class would be approximately \$258,200.
21 The proposed Settlement of \$230,000 represents approximately 89% of the reasonably forecasted
22 recovery for the Settlement Class.

23 20. Although the parties engaged in significant informal discovery prior to mediation,
24 the parties still had significant formal discovery to complete had the matter not been settled. This
25 would have required the expenditure of substantial time and resources by both parties that would
26 have very likely spanned several years. Even if Plaintiff was to certify the classes, the parties
27 would incur considerably more attorneys’ fees and costs through a possible decertification
28 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying

1 expense.

2 21. Class Counsel will also apply for an attorneys' fees award of one-third of the Gross
3 Settlement Amount, which is currently estimated to be \$76,666.66, and up to \$10,000.00 in
4 verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for
5 undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee
6 basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation,
7 analyzing Plaintiff's claims, conducting legal research, conducting extensive informal discovery,
8 analyzing Settlement Class members' timekeeping and payroll records, creating a comprehensive
9 damages model, preparing for and attending mediation, negotiating and preparing the long-form
10 Settlement Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel
11 expects to expend additional attorney time in attending the hearing on this Motion, overseeing the
12 Notice process and fielding questions from Settlement Class members, preparing the final
13 approval papers, and attending the Final Approval hearing.

14 22. Plaintiff will apply for Class Representative Service Payment at the time of
15 seeking final approval of the proposed class action settlement in the amount of \$10,000.00 for his
16 service to the Settlement Class. I believe this is reasonable given Plaintiff's efforts in this case as
17 well as the significant risks Plaintiff undertook by agreeing to serve as the named Plaintiff in this
18 case and agreeing to a general release of all claims subject to a waiver of California Civil Code
19 section 1542. Plaintiff was integral in the prosecution of this action, by, among other things,
20 providing substantial factual information and documents to Class Counsel, attending multiple
21 meetings with Class Counsel to discuss the claims and theories at issue in the litigation, and
22 otherwise actively participating in the prosecution of his claims.

23 I declare under penalty of perjury under the laws of the State of California that the
24 foregoing is true and correct. Executed on May 15, 2023, at El Segundo, California.

25 
26 Sean M. Blakely
27
28

EXHIBIT A

STIPULATION OF SETTLEMENT OF CLASS ACTION AND PAGA CLAIMS

This Stipulation of Settlement of Class Action and PAGA Claims and Release of Claims is entered into by and between Plaintiff Alfredo Salazar Meza (“Plaintiff”) individually and on behalf of all Settlement Class Members and Aggrieved Employees (as defined below), on the one hand, and Defendant Open Door Packaging, LLC dba Open Door Solutions, LLC (“Defendant”), on the other hand, and is approved as to form by their respective counsel of record, subject to the terms and conditions and the Court’s approval.

A. Definitions

1. “Action” or “Lawsuit” means and refers to the case entitled *Alfredo Salazar Meza v. Open Door Packaging, LLC, et al.*, Case No. CIVSB2200570, which was filed in the Superior Court of California, County of San Bernardino (“San Bernardino Superior Court”).

2. “Agreement” or “Settlement Agreement” or “Settlement” shall mean this Stipulation of Settlement of Class Action and PAGA Claims, including any attached Exhibits.

3. “Aggrieved Employees” means all current and former employees of Defendant who worked in California at any time during the PAGA Period as non-exempt, hourly paid employees.

4. “Attorneys’ Fees and Costs Award” means the amount approved by the Court for Class Counsel’s attorneys’ fees and costs.

5. “Class Action” refers to the class-action allegations set forth in the Complaint in the Action.

6. “Class Counsel” refers to Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC.

7. “Class Data” means a complete list that Defendant will diligently and in good faith compile from its available records and provide to the Settlement Administrator and shall include, to the extent available, the Settlement Class Members’ full names, last known addresses, telephone numbers, Social Security Numbers, the total Pay Periods Worked during the PAGA Period for each Aggrieved Employee, and the total Work Weeks Worked during the Class Period for each Settlement Class Member.

8. “Class Notice” means the Notice of Settlement of Class Action that will be sent to

the Settlement Class Members.

9. “Class Period” is the period starting on January 4, 2018 and ending on January 9, 2023.

10. “Class Representative” or “Plaintiff” means and refers to Alfredo Salazar Meza.

11. “Court” means the California Superior Court, County of San Bernardino.

12. “Defendant’s Counsel” or “Defense Counsel” means and refers to Harvey C. Berger and Shelby M. Harris of Berger & Williams, LLP.

13. “Effective Date” occurs after the latest of the following dates is reached: (i) sixty-one (61) calendar days following the date the Court enters an order granting Final Approval of the Settlement, assuming no appeal, objection, or request to intervene is filed; or (ii) if a timely appeal, objection, or request to intervene is filed, the date of final resolution of that appeal, objection, or intervening action (including any requests for rehearing and/or petitions for writs of *certiorari*) resulting in final judicial approval of the Settlement.

14. “Final Approval” or “Final Approval Order” refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Settlement Agreement on substantially the terms provided, or as may be modified by later written agreement of the Parties.

15. “Final Approval Hearing” refers to the hearing at which the Court is requested to grant Final Approval of this Settlement Agreement.

16. “Final Settlement Class” means, collectively, all Settlement Class Members who have not opted out of the Settlement Class by submitting timely Requests for Exclusion.

17. “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph 57.a below, as the same may be escalated subject to Paragraph 57.a.i below.

18. “Individual Settlement Payment” shall have the meaning ascribed to it in Paragraph 57.c below.

19. “Individual PAGA Payment” shall refer to the individual payments made to Aggrieved Employees for their *pro rata* share of the PAGA Payment.

20. “LWDA” shall refer to the California Labor & Workforce Development Agency.

21. “LWDA Notice Letter” shall refer to the letter that Class Counsel sent to the LWDA on January 4, 2022, asserting that Plaintiff planned to pursue a representative action against Defendant under PAGA on behalf of all hourly, non-exempt employees.

22. “LWDA Payment” shall refer to the portion of the PAGA Penalties payable to the LWDA.

23. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 57.b below.

24. “Notice Packet” means the Class Notice that will be sent to the Settlement Class Members and Aggrieved Employees.

25. “Notice Response Deadline” is 60 calendar days from the date the Notice Packet is mailed to the Settlement Class Members.

26. “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement, pursuant to Paragraph 80.c below.

27. “PAGA” refers to the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

28. “PAGA Action” refers to the potential PAGA cause of action as described in Plaintiff’s PAGA Notice Letter dated January 4, 2022.

29. “PAGA Payment” shall refer to the \$5,000.00 in PAGA Penalties to be paid pursuant to this Settlement to Aggrieved Employees.

30. “PAGA Penalties” means the total of \$20,000.00, which shall be separated as \$15,000.00 that Defendant, through the Settlement Administrator, shall pay to the LWDA in connection with the claims that were to be brought by Plaintiff under PAGA in a First Amended Complaint, as well as the \$5,000.00 PAGA Payment that will be allocated to each Aggrieved Employee, as more fully described in Paragraph 57.d below.

31. “PAGA Period” is the period starting on January 4, 2021 and ending on January 9, 2023.

32. “Participating Class Member” means any and all Final Settlement Class members

who are deemed to participate in the Settlement, who will receive an Individual Settlement Payment, and who do not opt-out by submitting a timely valid Request for Exclusion.

33. “Parties” or “Settling Parties” refers to Plaintiff, the Aggrieved Employees, the Settlement Class, the LWDA, and Defendant, collectively.

34. “Pay Periods Worked” or “Eligible Pay Periods” means all pay periods during the PAGA Period in which the Aggrieved Employees were employed by Defendant as non-exempt employees in California and worked at least one shift during the pay period.

35. “Preliminary Approval Date” means the date the Court approves the Motion for Preliminary Approval of the Stipulation of Settlement of Class Action and PAGA Claims, and the exhibits, and enters the Preliminary Approval Order.

36. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice Packet to the Settlement Class and Aggrieved Employees, an opportunity to opt out of the Final Settlement Class, an opportunity to submit timely objections to the Settlement, and setting a hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs.

37. “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Final Settlement Class and Aggrieved Employees, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

38. “Released Class Claims” or “Class Claims” means any and all claims, demands, rights, liabilities, grievances, and causes of action that were or could have been pled under local, state or federal law arising out of, related to, or based on any facts alleged in the operative Complaint against Defendant and the Released Parties arising during the Class Period, including but not limited to claims for (1) minimum wage violations (Labor Code, §§ 1182.12, 1194, 1194.2, 1197); (2) failure to pay all overtime wages (Labor Code, §§ 204, 510, 1194, 1198); (3) meal period violations (Labor Code, §§ 226.7, 512, 558); (4) wage statement penalties (Labor Code, §§ 226, *et seq.*); (5) waiting time penalties (Labor Code, §§ 201-203); and (6) unfair competition

(Bus. & Prof. Code, § 17200 *et seq.*). “Released Class Claims” or “Class Claims” also includes any claims that arise from, are related to, or are otherwise connected with the facts alleged in the Complaint.

39. “Released PAGA Claims” means any and all claims for civil penalties under PAGA arising from the claims contained in the PAGA Notice Letter for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the PAGA Notice Letter and/or the Complaint, that Plaintiff, on behalf of himself, the LWDA and the Aggrieved Employees, alleged or could allege against Defendant and the Released Parties. The Released PAGA Claims include, without limitation, all claims for civil penalties arising under California Labor Code based on the facts set forth in Plaintiff’s PAGA Notice Letter and Plaintiff’s Complaint, and further includes all claims seeking civil penalties for (1) failure to pay the statutory minimum wage; (2) failure to pay all overtime compensation earned; (3) meal period violations; (4) failure to provide accurate itemized wage statements; (5) failure to timely pay all final wages due; (6) failure to pay all wages earned at least twice during each calendar month; and (7) failure to maintain accurate records, and further including all claims for civil penalties under the California Labor Code, including California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, and 2699.3, as well as any applicable IWC Orders, arising during the PAGA Period.

40. “Released Parties” means Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their owners, directors, officers, shareholders, partners, members, managers, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community.

41. “Release” shall mean the release and discharge of the Released Class Claims by Plaintiff and all of the Participating Class Members, and the release and discharge of the Released PAGA Claims by Plaintiff, the LWDA (to the greatest extent permissible by law), and all Aggrieved Employees.

42. “Request for Exclusion” means and refers to a valid and timely request for exclusion from the Settlement of the Released Class Claims, which may be submitted by any Settlement Class Member, other than Plaintiff, pursuant to Paragraph 80.a below.

43. “Service Payment” or “Service Award” means the amount approved by the Court to be paid to the Class Representative as a service/enhancement award in consideration for his provision of a general release and Section 1542 waiver to the Released Parties.

44. “Settlement Administrator” means and refers to Phoenix Settlement Administrators, the third-party class action settlement or claims administrator agreed to by the Parties, that will provide the Notice Packet to the Settlement Class Members and Aggrieved Employees, and distribute the settlement amounts as described in this Agreement, as well perform as any other related services requested and agreed to by the Parties as set forth herein.

45. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator, as approved by the Court, for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, and deposit of the employee and employer share of payroll taxes, unclaimed property due diligence, reporting and remittance obligations, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties.

46. “Settlement Class” consists of all current and former non-exempt, hourly-paid employees of Defendant who worked in California at any time during the Class Period.

47. “Settlement Class Member” or “Class Member(s)” refers to individual members of the Settlement Class.

48. “Work Weeks Worked” or “Eligible Work Weeks” means all work weeks during the Class Period in which the Settlement Class Member was employed by Defendant as a non-exempt employee in California and worked at least one shift during the work week.

B. Procedure

49. On or about January 4, 2022, Plaintiff filed a putative class-action complaint in the Court against Defendant, Case No. CIVSB2200570, which included the following causes of action: (1) minimum wage violations (Labor Code, §§ 1182.12, 1194, 1194.2, 1197); (2) failure

to pay all overtime wages (Labor Code, §§ 204, 510, 1194, 1198); (3) meal period violations (Labor Code, §§ 226.7, 512, 558); (4) wage statement penalties (Labor Code, §§ 226, *et seq.*); (5) waiting time penalties (Labor Code, §§ 201-203); and (6) unfair competition (Bus. & Prof. Code, § 17200 *et seq.*).

50. On or about January 4, 2022, Plaintiff sent his PAGA Notice Letter that includes claims for civil penalties under PAGA. As part of the Parties' Settlement, the Parties stipulate to the filing of a First Amended Complaint which adds a cause of action for civil penalties under the PAGA.

C. General Terms

51. Defendant denies Plaintiff's claims and allegations and contends that the Action is not suitable for class certification or manageable as a class or representative action.

52. The Class Representative believes he can proceed with his representative and class claims, that the Action is meritorious, and that class certification is appropriate.

53. The Parties have conducted a thorough investigation into the facts of the Action. This includes conducting an extensive exchange of informal discovery, including the production of payroll and timekeeping records for Settlement Class Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Settlement Class and the Aggrieved Employees. Class Counsel has diligently pursued an investigation of the Class Members' and Aggrieved Employee's claims against Defendant. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class Members and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

54. On October 11, 2022, Plaintiff and Defendant participated in mediation before Phillip Cha, Esq., an experienced wage-and-hour class action mediator. The matter resolved at

mediation pursuant to a mediator's proposal.

55. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement Agreement shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on any of the claims or allegations in the Action.

56. Stipulation for Class Certification and Representative Treatment. For settlement purposes only, Defendant will stipulate that the Settlement Class may be conditionally certified as a settlement class and that the Aggrieved Employees are appropriate for representative treatment. This stipulation to certification and representative treatment is in no way an admission that class-action certification and/or representative treatment is proper and shall not be admissible in this or in any other action, except for the sole purpose of enforcing this Agreement. Should, for whatever reason, the Court fail to issue Preliminary and/or Final Approval, the Parties' stipulation to class certification and representative treatment as part of the Settlement shall become null and void *ab initio*, shall have no bearing on, and shall not be admissible in connection with the issue of whether or not certification and/or representative treatment would be appropriate in a non-settlement context. Defendant reserves its rights and declares that it would continue to oppose class certification, representative treatment, and the substantive merits of the case should the Court decline to issue Preliminary and/or Final Approval. Plaintiff reserves his rights and declares that he would continue to pursue class certification, representative treatment, and a trial should the Court decline to issue Final Approval.

D. Terms of Settlement

57. The financial terms of the Settlement are as follows:

- a. Gross Settlement Amount: Defendant agrees to pay Two Hundred Thirty Thousand Dollars and Zero Cents (\$230,000.00) ("the Gross Settlement Amount") to settle this Action, unless it shall be escalated pursuant to Paragraph 57.a.i below. The Gross Settlement Amount is the maximum amount that will be paid and includes Individual Settlement Payments (including all employee-side payroll taxes thereupon), Attorneys' Fees and Costs Award, the Service Payment

to the Class Representative, all Settlement Administration Costs, and PAGA Penalties to the Aggrieved Employees and LWDA. No portion of the Gross Settlement Amount shall revert to Defendant. Defendant's share of any Employer Taxes to be paid in connection with the settlement (e.g. FICA, FUTA, payroll taxes, and/or any similar tax or charge – collectively "Employer Taxes") shall be paid in addition to the Gross Settlement Amount. The Settlement Administrator will then be responsible for making appropriate deductions, reporting obligations, and issuing the individual settlement awards.

- i. Escalator Clause: The Settlement is based on Defendant's representation that there are approximately 3,731 Work Weeks Worked included in the Class Period through October 11, 2022. In the event that the actual number of Work Weeks Worked by all Class Members through October 11, 2022 increases by 10% or more, Defendant shall increase the Gross Settlement Amount on a proportional basis in excess of ten percent (i.e., if there were a twelve percent (12%) increase in the number of workweeks, then Defendant will increase the Gross Settlement Amount by two percent (2%).
- b. Net Settlement Amount: The "Net Settlement Amount" is defined as the Gross Settlement Amount less the Attorneys' Fees and Costs Award, the Service Payment to the Class Representative, all Settlement Administration Costs, and PAGA Penalties paid to the LWDA and to all Aggrieved Employees. If the Court reduces the requested Attorneys' Fees and Costs Award, Service Payment, or Settlement Administration Costs, or either increases or decreases the amount allocated to the PAGA Penalties, the Net Settlement Amount shall be increased or decreased accordingly.
- c. Individual Settlement Payments for the Settlement Class: Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Eligible Work Weeks a Settlement Class Member worked

during the Class Period. Specific Calculations of Individual Settlement Payments will be made as follows:

- i. The Settlement Administrator will calculate the total number of Work Weeks Worked by each Settlement Class Member during the Class Period and the aggregate total number of Work Weeks Worked by all Settlement Class Members during the Class Period.
 - ii. To determine each Settlement Class Member's estimated Individual Settlement Payment, the Settlement Administrator will use the following formula: The Net Settlement Amount will be divided by the aggregate total number of Work Weeks Worked by all participating Settlement Class Members during the Class Period, resulting in the "Class Work Week Value." Each participating Settlement Class Member's Individual Settlement Payment will be calculated by multiplying his or her total number of Work Weeks Worked during the Class Period by the Class Work Week Value. This amount is to be paid out to the participating Settlement Class Members by way of check.
 - iii. Individual Settlement Payments will be reduced by any employee-side tax withholdings and deductions.
 - iv. The entire Net Settlement Amount will be disbursed to all Participating Class Members.
- d. Individual PAGA Payments: Individual PAGA Payments will be calculated and apportioned from the PAGA Payment, which is not part of the Net Settlement Amount.
- i. The Settlement Administrator will determine the total number of Pay Periods in which each Aggrieved Employee worked during the PAGA Period ("Aggrieved Employee's Pay Periods Worked"), as well as the aggregate number of Pay Periods worked by all Aggrieved Employee during the PAGA Period ("Total PAGA Pay Periods").

- ii. To determine each Aggrieved Employee's Individual PAGA Payment the Settlement Administrator will use the following formula: Aggrieved Employee's Individual PAGA Payment = (Aggrieved Employee's Pay Period Worked / Total PAGA Pay Periods) x \$5,000.00 (the PAGA Payment). This amount is to be paid out to Aggrieved Employees by way of check without withholding or deduction.
- iii. The Settlement payment for a Participating Class Member who is also an Aggrieved Employee will therefore include the Participating Class Member's Individual Settlement Payment and Individual PAGA Payment.
- iv. A Settlement Class Member who is also an Aggrieved Employee who submits a valid Request for Exclusion will nevertheless be bound by any release of the Released PAGA Claims and will still receive their Individual PAGA Payment.

e. Tax Allocation of Payments:

- i. Individual Settlement Payments: The Individual Settlement Payments will be allocated based on the allegations in the Action as follows: Twenty percent (20%) will be allocated as wages subject to withholding of all applicable local, state and federal taxes; and eighty percent (80%) will be allocated for interest and statutory penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226) from which no taxes will be withheld or other deductions made.
- ii. Individual PAGA Payments: The Individual PAGA Payments will be one hundred percent (100%) allocated to civil penalties from which no taxes will be withheld or other deductions made.
- iii. The Settlement Administrator will issue to each Participating Class Member an IRS Form W-2 and comparable state forms with respect to the wage allocation and an IRS Form 1099 to each Participating Class Member and/or Aggrieved Employee with respect to the penalties and

interest allocations.

- f. Service Payment to Class Representative: The Service Payment to the Class Representative is a service/enhancement award not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) approved by the Court in its discretion. This award is in exchange for the services Plaintiff performed on behalf of the Class (including taking steps to support the Settlement) and in consideration for entering into the general and expansive release and California Civil Code Section 1542 waiver. Defendant agrees not to oppose this request just as Plaintiff agrees to not request exclusion from the Settlement Class and to not take any action, directly or indirectly, to undercut or otherwise interfere with the success of this Settlement. The Service Payment to Plaintiff will be paid out of the Gross Settlement Amount, and shall be in addition to Plaintiff's Individual Settlement Payment. The Class Representative will be issued an IRS Form 1099 by the Settlement Administrator in connection with this Service Payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on this payment. The Parties agree that any amount awarded as the Service Payment to Plaintiff less than the requested amount shall not be a basis for Class Counsel or the Class Representative to void this Settlement Agreement nor to appeal this aspect of the Court's ruling. Should the Court approve a lesser amount for the Service Payment, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.
- g. Attorneys' Fees and Costs Award: Defendant agrees to not oppose a request by Class Counsel to the Court for an award of attorneys' fees of not more than one-third (33.33%) of the Gross Settlement Amount, which here is estimated to be Seventy-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$76,666.66), plus reasonable litigation costs estimated not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) ("Attorneys' Fees and Costs Award"). The Attorneys' Fee and Costs Award shall be paid from the Gross

Settlement Amount. Defendant shall have no further obligation to pay any attorneys' fees, costs or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. The Parties agree that any amount awarded as attorneys' fees and costs to Class Counsel less than the requested amount shall not be a basis for Class Counsel or the Class Representative to rescind or otherwise void this Settlement Agreement. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099-NEC reflecting the amount of attorneys' fees and costs awarded by the Court.

- h. Settlement Administration Costs: The fees and other charges of the Settlement Administrator will be paid from the Gross Settlement Amount, subject to Court approval and estimated not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00). If the actual amount of the Settlement Administration Costs is less than \$7,500.00, then the difference between \$7,500.00 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$7,500.00, then such excess will be paid solely from the Gross Settlement Amount and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.
- i. PAGA Penalties: The Parties agree that Twenty Thousand Dollars and Zero Cents (\$20,000.00) is allocated to PAGA Penalties and is to be paid from the Gross Settlement Amount, subject to Court approval. Of this amount, the LWDA Payment of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) (which amounts to seventy-five percent (75%) of the PAGA Penalties) shall be paid to the LWDA in satisfaction of civil penalties under PAGA, and the PAGA Payment of Five Thousand Dollars and Zero Cents (\$5,000.00) (which amounts to twenty-five percent (25%) of the PAGA Penalties) will be paid to the Aggrieved Employees based on a Pay Periods Worked basis during the PAGA Period, which

will be treated entirely as civil penalties and shall be reported as required on an IRS Form 1099. The Settlement Administrator will calculate the total number of Pay Periods Worked by each Aggrieved Employee during the PAGA Period and the aggregate total number of Pay Periods during the PAGA Period. Class Counsel agrees to and shall give proper notice to the LWDA of the Settlement.

- j. Tax Liability: Class Counsel, Defendant, and Defendant's counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant's counsel in this regard. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. IRS Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, regulations promulgated thereunder, or other tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiff, Participating Class Members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described and will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

- k. CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO

WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

58. No Credit Toward Benefit Plans. The Individual Settlement Payments and Individual PAGA Payments made under this Agreement, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members or Aggrieved Employee may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, pension plans,

retirement plans, stock purchase or other types of equity plans, vacation plans, sick leave plans, PTO plans, workers compensation premiums, and any other benefit or incentive plan. This Settlement will not affect any rights, contributions, or amounts to which any Settlement Class Members or Aggrieved Employees may be entitled under any benefit plans. The Parties agree that the amounts paid pursuant to this Settlement are not for days or hours worked, and are not included toward any regular rate of pay calculation, or any benefit vesting or accrual purpose.

59. “Non-Reversionary” Settlement. This is a “non-reversionary” settlement. Under no circumstance will any portion of the Gross Settlement Amount revert to Defendant. Participating Class Members will not have to make a claim in order to receive an Individual Settlement Payment, and Aggrieved Employees will not have to make a claim in order to receive their Individual PAGA Payments. Distributions, in the form of Individual Settlement Payments and Individual PAGA Payments, will be made directly to each Participating Class Member and Aggrieved Employee. The Settlement Administrator shall be responsible for accurately and timely reporting and the remittance obligations with respect to unclaimed funds as a result of a Participating Class Member or Aggrieved Employee not cashing an Individual Settlement Payment or Individual PAGA Payment by the check cashing deadline.

60. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable, and adequate, and will so represent same to the Court.

E. Release by Plaintiff, Aggrieved Employees and the Settlement Class

61. Upon entry of the Final Approval Order and Defendant’s funding of the Gross Settlement Amount, along with any taxes necessary to be paid by Defendant to effectuate the Settlement, and except as to such rights or claims as may be created by this Settlement Agreement, the Participating Class Members, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and discharge the Released Parties from the Released Class Claims that have or could have arisen or accrued during the Class Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and *res judicata* effect and be final and binding upon Participating Class Members

regarding the Released Class Claims. The *res judicata* effect of the judgment will be the same as that of the Release of the Released Class Claims and Released PAGA Claims.

62. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

63. Upon entry of the Final Approval Order and Defendant's funding of the Settlement Amount, as well as any taxes that must be paid by Defendant to effectuate the Settlement, Plaintiff, standing in the shoes of the Labor Commissioner/LWDA to the extent permitted by law, and on behalf of the State of California and all Aggrieved Employees, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever completely release and discharge the Released Parties from the Released PAGA Claims that have or could have arisen or accrued during the PAGA Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and *res judicata* effect and be final and binding upon Plaintiff, the LWDA, and the Aggrieved Employees regarding the Released PAGA Claims.

64. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

65. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on or arising out of the Released Class Claims. The Class Members shall be so notified in the Notice. This Paragraph only applies to Participating Class Members and, thus, does not apply to any Class Member who timely and validly submits a Request for Exclusion.

66. Plaintiff and Defendant also intend that the Settlement described in this Agreement will release and preclude any further claim for civil penalties under the California Labor Code, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other PAGA action of any kind, by each and all of the Aggrieved Employees and by the LWDA to obtain a recovery based on or arising out of the

Released PAGA Claims. The Aggrieved Employees shall be so notified in the Class Notice, and Class Counsel shall provide appropriate notice to the LWDA of this Agreement concurrently with the filing of the Motion for Preliminary Approval.

67. Class Representative, on behalf of himself and the Participating Class Members, acknowledges and agrees that the claims, including claims for unpaid wages and untimely payment of wages, are disputed, and that the payments set forth constitute payment of all sums allegedly due to them. Class Representative, on behalf of himself and the Participating Class Members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable to the Parties. Section 206.5 provides in pertinent part as follows:

“An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

F. Release by Class Representative

68. As a material inducement to Defendant to enter into this Settlement Agreement and in exchange for the Service Payment, and in addition to the Class Representative’s release of the Released Class Claims and Released PAGA Claims, upon entry of the Final Approval Order and Defendant’s funding of the Gross Settlement Amount, along with any taxes necessary to be paid by Defendant to effectuate the Settlement, Class Representative for himself and for his respective spouses, domestic partners, marital community, children, estates, heirs, trusts, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assignees does forever and completely release and discharge and covenant not to sue the Released Parties with respect to any and all claims, demands, liens, agreements, contracts, grievances, covenants, actions, suits, causes of action, wages, obligations, debts, liquidated damages, penalties, interest, costs, expenses, attorneys’ fees, damages, judgments, orders and liabilities of whatever kind or nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, concealed or hidden, which Class Representative now owns or holds or has at any time owned or held as against said Released Parties, or any of them. Such released claims include specifically, but not exclusively

and without limiting the generality of the foregoing, any and all claims, demands, agreements, grievances, obligations and causes of action, known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, relating to, or in any way connected with:

- a. Class Representative's employment with Defendant or any Related Party or the remuneration for or termination of such employment;
 - b. any allegation in the Action;
 - c. any transactions, occurrences, acts or omissions set forth, or facts alleged, in any and all charges, complaints, claims, grievances or pleadings filed by Class Representative against any Released Party before this Agreement is signed by all parties with any city, county, state or federal agency, commission, office or tribunal whatsoever, including, but not limited to, the Department of Fair Employment and Housing (California Civil Rights Department), the Equal Employment Opportunity Commission, the Department of Labor, the LWDA, Occupational Safety and Health Administration, and National Labor Relations Board; and/or
 - d. any transactions, occurrences, acts or omissions occurring before this Agreement is signed by all parties, including specifically without limiting the generality of the foregoing any claim under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act (29 U.S.C. Section 621 *et seq.*), the Americans with Disabilities Act, the Employee Retirement Income Security Act, the National Labor Relations Act, the Fair Labor Standards Act, the Family and Medical Leave Act, the California Constitution, the California Labor Code, the California Civil Code, the California Government Code, the California Business & Professions Code, the California Family Rights Act, the California Fair Employment and Housing Act, or any other federal, state, or local statute or regulation (collectively, the "Class Representative's Claims").
69. Class Representative agrees that there is a risk that any injury that he may have

suffered by reason of the Released Parties' relationship with him might not now be known, and there is a further risk that said injuries, whether known or unknown, suspected or unsuspected, concealed or hidden, at the date of this Settlement Agreement, might possibly become progressively worse, and that as a result thereof further damages may be sustained.

Nevertheless, Class Representative agrees to forever and fully release and discharge the Released Parties, and understands that by the execution of this Settlement Agreement no further claims for any such injuries that existed at the time of the execution of this Settlement Agreement may ever be asserted by Class Representative with respect to claims arising in the time period from the beginning of time to the execution of this Settlement Agreement.

70. Upon the release of the Class Representative's Claims as set forth in Paragraph 68 above, Class Representative also expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

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.

For the purpose of implementing a full and complete release and discharge of all parties, Class Representative and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Class Representative knew of, as well as all claims that he does not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from the beginning of time to date this Agreement is signed by all parties, and that this Settlement Agreement contemplates the extinguishment of any and all of such Class Representative's claims. This general release by

Class Representative shall not extend to claims for workers' compensation benefits (including Plaintiff's workers compensation cases/claims against Defendant in WCAB No. AD408J4317 and WCAB No. ADJ15752481), claims for unemployment benefits, or other claims that may not be released by law as part of this Agreement.

F. Interim Stay of Proceedings

71. Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the Settlement.

G. Notice Process

72. Appointment of Settlement Administrator. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice Packet, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims or opt-out requests, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Payments and the Individual PAGA Payments, drafting and mailing the settlement checks to Participating Class Members and Aggrieved Employees, issuing W-2 and 1099 Tax Forms, unclaimed funds due diligence, reporting and remittance obligations, and performing such other tasks, as the Parties mutually agree or that the Court orders. The Settlement Administrator also shall be responsible for issuing to Class Representative, Participating Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

73. Disputes Regarding Settlement Administration. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify

the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Before presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute with the aid of the Settlement Administrator and without the necessity of Court intervention.

74. Class Data. Within fourteen (14) business days after entry of the Preliminary Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement Administrator will remain confidential, shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone (including Class Counsel), except as required by applicable tax authorities, pursuant to Defendant's written consent, or by order of the Court. The Settlement Administrator will be required to sign and provide to Defendant any Certification Regarding Confidential Discovery Materials and to be bound by any Stipulated Protective Order as entered by the Court.

75. Notice Packet. The Notice Packet, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class Members and Aggrieved Employees, by first class mail within ten (10) business days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Settlement Class Members and Aggrieved Employees if any envelopes are returned.

76. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice Packet is received by all Settlement Class Members and Aggrieved Employees, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notice Packets will be re-mailed to any Settlement Class Member and/or Aggrieved Employee for whom an updated address is located within seven (7) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address. The Notice Packet shall be identical to the original Notice Packet, except that it shall notify the Settlement Class Member

that the exclusion (opt-out) request, Dispute, or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after the remailing of the Notice Packet.

77. Disputes Regarding Information on Notices. Settlement Class Members are deemed to participate in the Settlement, unless they opt-out. The Class Notice will inform Settlement Class Members of their estimated Individual Settlement Payment and the number of Work Weeks Worked during the Class Period. The Class Notice will inform the Aggrieved Employees of their estimated Pay Periods Worked during the PAGA Period and estimated Individual PAGA Payment. Settlement Class Members and Aggrieved Employees may dispute their Work Weeks Worked and/or Pay Periods Worked, respectively, in the Class Period and/or PAGA Period if they feel they should be credited with more Eligible Work Weeks or Eligible Pay Periods than Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut Defendant's records, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and/or Aggrieved Employee and provide the evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Settlement Class Member's and/or Aggrieved Employee's actual number of Work Weeks Worked during the Class Period and/or Pay Periods Worked during PAGA Period and estimated Individual Settlement Payment and/or Individual PAGA Payment. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Settlement Administrator to render a final decision. Settlement Class Members will have until the Notice Response Deadline to dispute Work Weeks Worked, object or opt out of the Class Action Settlement, and seek to intervene in the Action, unless extended by the Court. The Aggrieved Employees will have until the Notice Response Deadline to dispute Pay Periods Worked during the PAGA Period. In the event that the Settlement Administrator revises the number of Work Weeks Worked for any Settlement Class Member or Pay Periods Worked for any Aggrieved Employee, then the Settlement Administrator will recalculate the Participating Class Members' Individual Settlement Payments and/or the Aggrieved Employee's Individual PAGA Payments accordingly. In no event will Defendant be required to increase the Gross

Settlement Amount on this or any other basis, except as outlined in paragraph 57.a.i.

78. Declaration of Due Diligence. The Settlement Administrator shall provide to counsel for the Parties, at least seven (7) calendar days before the deadline to file the Final Approval Motion, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice Packet. The Settlement Administrator shall also provide weekly reports to counsel for the Parties, which includes the number of opt-outs, disputes, and objections received by the Settlement Administrator.

79. Aggrieved Employees' Rights. Each Aggrieved Employee will be fully advised of the Settlement in the PAGA Notice. Aggrieved Employees cannot opt out of receiving a PAGA Payment or object to the Settlement of the Released PAGA Claims.

80. Settlement Class Members' Rights. Each Settlement Class Member will be fully advised of the Settlement, the ability to object to the provisions in the Settlement, and the ability to opt out or request exclusion from the Settlement. The Notice will inform the Settlement Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Settlement in accordance with the following guidelines:

- a. Requests for Exclusion from Participating in the Settlement Class. Any Settlement Class Member, other than Plaintiff, may request to be excluded from the Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE OPEN DOOR PACKAGING DBA OPEN DOOR SOLUTIONS LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT," or a statement to that effect.

To be valid, any Request for Exclusion must include the full name, address, telephone number, last four digits of the social security number, and signature of the Settlement Class Member requesting exclusion. The Request for Exclusion must be

returned by mail or fax to the Settlement Administrator at the specified address. Any such Request must be made in accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice Response Deadline, unless the Parties otherwise agree in writing. Any Settlement Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement with respect to the Released Class Claims, including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Agreement for the Released Class Claims; and (iii) will not be bound by this Agreement, or the judgment, with respect to the Released Class Claims. Any Aggrieved Employee who requests timely exclusion from the Settlement Class will still be subject to the Released PAGA Claims to the fullest extent permitted by law and shall be sent his or her share of PAGA Penalties.

- b. Binding Effect on Participating Class Members. Except for those Settlement Class Members who exclude themselves in compliance with the procedures set forth above, all Settlement Class Members will: (i) be deemed to be Participating Class Members for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this Agreement, the judgment, and the releases set forth; and (iii) except as otherwise provided, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.
- c. Objections to Settlement. Any Settlement Class Member, other than Plaintiff, may object to the terms of this Agreement. To object, a Settlement Class Member should inform the Settlement Administrator, in writing, of his or her objection, which must be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall include the objecting Settlement Class Member's full name, address, telephone number, the case name and number, the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support

thereof, and, if the Objecting Settlement Class Member is represented by counsel, the name and address of his or her counsel. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) calendar days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence and file with the Court prior to the Final Approval Hearing. Any Participating Class Member who files an objection remains eligible to receive monetary compensation from the Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class Member and/or his or her counsel related to any objections to the Settlement.

- d. Failure to Object. Any Settlement Class Member who desires to object to the Settlement but fails to timely submit a written objection may still object and/or comment on the Settlement in person and/or through counsel at the Final Approval Hearing.
- e. Responses to Objections. Counsel for the Parties may file a response to any objections submitted by objecting Settlement Class Members at least five (5) court days before the date of the Final Approval Hearing.
- f. Timing of Requests. Settlement Class Members will have until the Notice Response Deadline to object or submit a Request for Exclusion or Dispute to the Settlement Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections, Disputes or Requests for Exclusion were timely submitted on a weekly basis, and upon the request of Class Counsel or Defense Counsel.
- g. Defective Submissions. If a Settlement Class Member's Request for Exclusion or objection or Dispute is defective as to the requirements listed, that Settlement Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Settlement Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Settlement Class Member that his or her submission is defective and that the defect must be cured

to render the Request for Exclusion or objection valid. The Settlement Class Member will have the later of (i) the Notice Response Deadline or (ii) 15 calendar days from the date of the cure letter to postmark or fax a revised Request for Exclusion or objection or Dispute. If the revised Request for Exclusion or objection or Dispute is not postmarked or received by fax within that period, it will be deemed untimely.

81. QSF. The Settlement Administrator shall create a QSF for all money paid by Defendant and shall deposit all funds received from Defendant into such QSF.

82. Funding of the Settlement Amount. Defendant shall fund the Gross Settlement Amount in one installment within thirty (30) calendar days of the Effective Date. Defendant separately shall pay its share of employer payroll taxes as calculated and directed by the Settlement Administrator within fourteen (14) calendar days of written Notice by the Administrator. In the event that this Settlement Agreement is not granted Final Approval, any funds deposited by Defendant with the Settlement Administrator shall be returned to Defendant within fifteen (15) days of a Court Order or other decision denying final approval of the Settlement Agreement.

83. No Further Obligations. Once Defendant has complied with its obligations set forth in this Paragraph, Defendant shall be deemed to have satisfied all of the terms and conditions of this Agreement, shall be entitled to all the protections afforded it under the Agreement, and shall have no further obligations under the Agreement, regardless of what occurs with respect to the further administration of the Settlement. The Settlement Administrator (and not Defendant) shall issue the applicable IRS Forms W-2s and 1099 reflecting all payments to the Settlement Class Members, to Class Counsel, and to the Settlement Administrator.

84. Distribution of Funds. No later than fourteen (14) calendar days after Defendant's funding of the Gross Settlement Amount and payment of employer taxes, the Settlement Administrator will mail the Individual Settlement Payments and Individual PAGA Payments to the Participating Class Members and Aggrieved Employees, the payment to Class Counsel for the Attorneys' Fees and Costs Award, any Service Payment to the Class

Representative, the LWDA Payment, and will pay itself the Settlement Administration Costs.

85. Deadline for Cashing Settlement Checks. Participating Class Members and Aggrieved Employees shall have 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. If any Participating Class Member's or Aggrieved Employee's check is not cashed within that period, the check will be void and a stop-payment will be issued, and the Settlement Administrator shall issue the unclaimed funds to the State's Unclaimed Property Fund. In the event that any settlement check is returned to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the individual, and notify Defense Counsel and Class Counsel of the results. If a new address is located by these means, the Administrator will have ten (10) business days to re-issue the check. Neither Defendant, Released Parties, Defense Counsel, Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Participating Class Member or Aggrieved Employee notifies the Settlement Administrator that he or she believes that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check in question has not been negotiated before the stop payment order, the Settlement Administrator will issue a replacement check.

86. No person shall have any claim against Defendant, Released Parties, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on mailings, distributions, payments or reports made in accordance with or pursuant to this Agreement.

87. Without prejudice to any other remedies, the Settlement Administrator shall agree to be responsible for any breach of its obligations (whether committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

H. Duties of the Parties Before the Court's Preliminary Approval

88. Promptly after execution of this Settlement Agreement, Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order accomplishing the following:

- a. Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class Members and Aggrieved Employees and a hearing on fees, costs and the Service Payment;
- b. Approving as to form and content the proposed Notice Packet;
- c. Directing the mailing of the Notice Packet by first class mail to the Settlement Class Members and Aggrieved Employees;
- d. Preliminarily approving this Settlement; and
- e. Preliminarily certifying the class for purposes of this Settlement.

89. Reallocation of Settlement Proceeds. In the event the Court fails, on its first hearing, to approve this Agreement because the amount of the PAGA Penalties is not adequate, then the Parties shall cooperate in good faith to reallocate the total settlement proceeds, within this Agreement, in order to try to achieve Final Approval of the Agreement at a later Court hearing.

I. Duties of the Parties Regarding The Court's Final Approval

90. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit to the Court a Motion for Final Approval and a proposed Final Approval Order:

- a. Approving the Settlement, adjudging the terms to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of attorneys' fees and reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Settlement Administrator for costs of administering the settlement; and
- c. Entering judgment approving settlement.

91. Final Judgment. The Settlement Administrator shall give the Participating Class Members and Aggrieved Employees notice of the entry of Final Judgment by posting the Final Judgment on its website for a period of three (3) years after entry of judgment.

J. Voiding the Agreement

92. Defendant will have, in its sole discretion, the right to void and withdraw from the Settlement without prejudice to its pre-settlement positions and defenses in the Action if ten percent (10%) or more of Class Members, by number or by value, opt out of the Settlement. To do so, Defendant shall give written notice to the Settlement Administrator and Class Counsel at least thirty (30) calendar days before the final approval hearing date.

93. All Parties, signatories and their counsel shall not encourage opt-outs or objections to this Agreement. The Parties specifically agree not to solicit opt-outs or objections, directly or indirectly, through any means.

94. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Settlement. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator to date shall be borne equally by Defendant and Plaintiffs, unless otherwise specified in this Agreement.

95. If the Settlement is voided by Defendant pursuant to Paragraph 92 above, any costs incurred to that date by the Settlement Administrator shall be borne solely by Defendant.

K. Other Terms

96. Waiver. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other previous or later breach of this Agreement.

97. Full and Complete Defense. This Agreement may be pleaded by any Released Party as a full and complete defense to and may be used by any Released Party to pursue an injunction against any action, suit or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any Released Claim.

98. Parties' Authority. The signatories represent that they are fully authorized to

enter into this Settlement Agreement and bind the Parties to its terms and conditions.

99. No Publicity. Communications regarding this Settlement before the Final Approval Date shall be limited to Court-Approved Notice in the Action and responding to Settlement Class Members' inquiries regarding the Settlement and the Court-Approved Notices. After the Final Approval Date, Class Counsel and Class Representative agree that they will not make any comment or publication of the Settlement or regarding Defendant or any Released Parties that in any way could reasonably identify Defendant or any Released Parties in terms of affirmative or responsive media statements/comments, press releases or conferences, website postings or content, social media postings or content, other Internet postings or content, subscribed email messages, newsletters, disseminated updates, mass mailings, or any other comment or publication to the press, media, or public at large. Nothing shall be construed to prevent Class Counsel from the public filing of motions or other case materials in the Action related to seeking and obtaining Court approval of this Settlement and the related awards of attorneys' fees and costs, or to communications with Settlement Class Members or their representatives about this Settlement, including through the posting of Court-filed documents on Class Counsel's websites for password-protected access solely by the Settlement Class Members, or to prevent the Parties or their representatives from communicating with financial or legal advisors regarding the Settlement. In response to any media inquiry, Class Counsel may state only that the Action has been settled on terms mutually agreeable to the Parties.

100. No Defamatory Statements. Plaintiff will not make, or encourage anyone else to make, any disparaging, defamatory or maliciously false statements or remarks about Defendant or any Released Parties, any of their employees, and/or any of their services or business; this restriction includes, but is not limited to, Plaintiff not making any such statements or remarks on Yelp, Glassdoor, LinkedIn, Facebook, other social media, and any other online forums.

101. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their

best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's Preliminary Approval Order and Final Approval.

102. No Previous Assignments. The Parties 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 rights released and discharged by this Settlement Agreement.

103. No Admission. Defendant denies any and all liability to Plaintiff and/or any Settlement Class Member or Aggrieved Employee in this Action, as to any and all causes of action that were asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and compromise the matters at issue in the Action to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that it has asserted or could assert against Plaintiff, has determined that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

104. Inadmissibility of Agreement. Whether or not the Court issues the Preliminary and/or Final Approval Order, nothing in this Settlement Agreement, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152, be inadmissible in evidence in any proceeding, except an action or proceeding to

approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification and PAGA representative status as part of this Settlement Agreement is for settlement purposes only, and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

105. Construction. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

106. Captions and Interpretations. Paragraph titles or captions contained are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any of its provision. Each term of this Settlement Agreement is contractual and not merely a recital.

107. Modification. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties.

108. Dispute Resolution. Before instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the assistance of Phillip Cha, Esq. to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs, and split any fees of Mr. Cha equally. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant. If either party institutes legal action to enforce the provisions of this

Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

109. Court Retains Jurisdiction. The Parties agree that, upon the entry of judgment pursuant to the terms of this Agreement, and, pursuant to California Code of Civil Procedure Section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents and obligations of this Agreement.

110. Enforceability. Pursuant to California Evidence Code Section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

111. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

112. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated, and all previous or contemporaneous agreements, understandings, representations, and statements, whether oral or written, and whether by a Party or such Party's legal counsel, are merged. No rights may be waived except in writing.

113. Binding on Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors and assigns.

114. Signatures of All Class Members Unnecessary to Be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases in this Settlement Agreement, and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

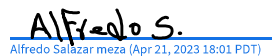
115. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents to define all provisions of this Settlement

Agreement valid and enforceable.

116. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original. This Agreement may be signed by electronic signature and such signature or signatures transmitted electronically shall have full force and effect.

Dated: Apr 21, 2023

PLAINTIFF AND CLASS REPRESENTATIVE:


Alfredo Salazar meza (Apr 21, 2023 18:01 PDT)

Alfredo Salazar Meza

Dated:

DEFENDANT: Open Door Packaging, LLC dba Open Door Solutions, LLC

By:
Title:

APPROVED AS TO FORM:

Dated: 4/21/23

CLASS COUNSEL:
HAINES LAW GROUP, APC



Paul K. Haines
Sean M. Blakely
Alexandra R. McIntosh

Attorneys for Plaintiff

Dated:

DEFENDANT'S COUNSEL:

Harvey C. Berger
Shelby M. Harris

Attorneys for Defendant

Agreement valid and enforceable.

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Dated:

PLAINTIFF AND CLASS REPRESENTATIVE:

Alfredo Salazar Meza

Dated:

DEFENDANT: Open Door Packaging, LLC dba Open Door Solutions, LLC

By: *Pasquale Russo*
Title: PASQUALE RUSSO
CEO-FOUNDER

APPROVED AS TO FORM:

Dated:

CLASS COUNSEL:
HAINES LAW GROUP, APC

Paul K. Haines
Sean M. Blakely
Alexandra R. McIntosh

Attorneys for Plaintiff

Dated:

DEFENDANT'S COUNSEL:

Shelby M. Harris
Harvey C. Berger
Shelby M. Harris

Attorneys for Defendant

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

ALFREDO SALAZAR MEZA, as an individual and
on behalf of all others similarly situated,

Plaintiff,

vs.

OPEN DOOR PACKAGING, LLC, a California
limited liability company; OPEN DOOR SOLUTIONS
LLC, a California limited liability company; and
DOES 1 through 100,

Defendants.

Case No. CIVSB2200570

**NOTICE OF PENDENCY OF CLASS
ACTION AND PROPOSED SETTLEMENT**

To: All current and former non-exempt, hourly-paid employees of Defendant Open Door Packaging, LLC dba Open Door Solutions, LLC who worked in California at any time from January 4, 2018 through January 9, 2023 (“Class Period”). Collectively, these employees will be referred to as “Settlement Class members.”

**PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The San Bernardino County Superior Court has granted preliminary approval of a proposed class action settlement (“Settlement”) in the case of *Alfredo Salazar Meza v. Open Door Packaging, LLC, et al.*, San Bernardino Superior Court Case No. CIVSB2200570 (“Action”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from the Settlement. Defendant Open Door Packaging, LLC dba Open Door Solutions, LLC’s (“Defendant”) records show that you were employed by Defendant in California as a non-exempt, hourly-paid employee between January 4, 2018, through January 9, 2023 (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Alfredo Salazar Meza (“Plaintiff”) brought this Action against Defendant, seeking to assert claims on behalf of a class of current and former non-exempt, hourly-paid employees who worked for Defendant in California at any time during the Class Period. Plaintiff is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

Plaintiff alleges that Defendant failed to pay Settlement Class members for all earned minimum and overtime wages and failed to provide all required meal periods to Settlement Class members. The Action also alleges that as a result of the unpaid minimum and overtime wages and unpaid meal period premiums, Defendant failed to provide Settlement Class members with accurate and complete wage statements and failed to timely

pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that Defendant engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”).

Defendant denies that it has done anything wrong. Defendant denies that it owes Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be considered an admission of liability on the part of Defendant, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiff’s claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Defendant concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After Defendant provided relevant information and documents to Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant’s policy strictly prohibit unlawful retaliation. Defendant will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member’s decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendant: BERGER & WILLIAMS, LLP Harvey Berger berger@bergerwilliams.com Shelby Harris harris@bergerwilliams.com 401 B Street, Suite 2000 San Diego, California 92101 Tel: (619) 234-1222 Fax: (619) 236-9677 bergerwilliams.com
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt, hourly-paid employees who worked for Defendant in California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendant as described below.

Defendant has agreed to pay \$230,000.00 (“Gross Settlement Amount”) to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys’ fees and expenses, settlement administration costs, PAGA civil penalties, and the Class Representative’s Service Payment.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you, issue checks, and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,500.00 from the Gross Settlement Amount to pay the settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$76,666.66, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through final Settlement. Class Counsel also will ask for reimbursement of up to \$10,000.00 for verified costs Class Counsel incurred to prosecute the Action.

Service Payment to Class Representative. Class Counsel will ask the Court to award the Class Representative a service payment in the amount of \$10,000.00 to compensate him for his service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to State of California. \$15,000.00 will be paid to the California Labor & Workforce Development Agency (“LWDA”), representing 75% of the \$20,000.00 the parties have agreed to allocate to the settlement of Plaintiff’s claim on behalf of the Aggrieved Employees under the PAGA. The remaining \$5,000.00 will be payable to certain Aggrieved Employees as the “PAGA Amount,” as described below.

Calculation of Settlement Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$105,333.34 and will be divided as follows:

- (i) Payments to all Participating Settlement Class Members: The NSA will be distributed to all participating Settlement Class members based on their proportionate number of workweeks worked during the Class Period.
- (ii) PAGA Payment: \$5,000 has been designated as the “PAGA Amount” and will be allocated to Aggrieved Employees who were employed by Defendant at any time from January 4, 2021, through January 9, 2023 (the “PAGA Period”) (regardless of whether they opt out of the Settlement Class) in proportion to the number of Pay Periods that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will have twenty percent (20%) allocated as wages subject to withholding of local, state and federal taxes, and eighty percent (80%) will be allocated for interest and penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226), from which no taxes will be withheld or other deductions made. Any payment from the PAGA Amount shall be designated as 100% penalties. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly,

Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. Upon entry of the Final Approval Order and Defendant's funding of the Gross Settlement Amount, along with any taxes necessary to be paid by Defendant as part of the Settlement, and except such rights or claims as may be created by this Settlement Agreement, the Participating Class Members, for themselves and for their respective spouses, domestic partners, children, estates, heirs, trusts, and representatives, will forever and completely release and discharge Defendant and each of its divisions, subsidiaries, partnerships, parents, affiliated companies, trusts, or other related entities, past and present, and each of them, as well as each of their owners, directors, officers, shareholders, partners, members, managers, representatives, executors, trustees, fiduciaries, administrators, beneficiaries, assignees, successors, business managers, agents, contractors, insurers, attorneys, and employees, past and present, and each of them and their marital community ("Released Parties") from any and all claims, demands, rights, liabilities, grievances, and causes of action that were or could have been pled under local, state or federal law arising out of, related to, or based on any facts alleged in the operative Complaint against Defendant and the Released Parties arising during the Class Period, including but not limited to claims for (1) minimum wage violations (Labor Code, §§ 1182.12, 1194, 1194.2, 1197); (2) failure to pay all overtime wages (Labor Code, §§ 204, 510, 1194, 1198); (3) meal period violations (Labor Code, §§ 226.7, 512, 558); (4) wage statement penalties (Labor Code, §§ 226, *et seq.*); (5) waiting time penalties (Labor Code, §§ 201-203); and (6) unfair competition (Bus. & Prof. Code, § 17200 *et seq.*). "Released Class Claims" or "Class Claims" also includes any claims that arise from, are related to, or are otherwise connected with the facts alleged in the Complaint. Additionally, all Aggrieved Employees (even those who opt out of the Class Settlement) will release any and all claims for civil penalties under PAGA arising from the claims contained in the PAGA Notice Letter for the entire duration of the PAGA Period, and from all other claims for civil penalties arising from, related to, or otherwise connected with the underlying factual allegations contained in the PAGA Notice Letter and/or the Complaint, that Plaintiff, on behalf of himself, the LWDA and the Aggrieved Employees, alleged or could allege against Defendant and the Released Parties. The Released PAGA Claims include, without limitation, all claims for civil penalties arising under California Labor Code based on the facts set forth in Plaintiff's PAGA Notice Letter and Plaintiff's Complaint, and further includes all claims seeking civil penalties for (1) failure to pay the statutory minimum wage; (2) failure to pay all overtime compensation earned; (3) meal period violations; (4) failure to provide accurate itemized wage statements; (5) failure to timely pay all final wages due; (6) failure to pay all wages earned at least twice during each calendar month; and (7) failure to maintain accurate records, and further including all claims for civil penalties under the California Labor Code, including California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, and 2699.3, as well as any applicable IWC Orders, arising during the PAGA Period.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of Pay Periods you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Payment. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of Pay Periods you worked during the PAGA Period. The information contained in Defendant's records regarding each of these factors, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Estimated Settlement Payment. If you disagree with the information in your Notice of Estimated Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND**

ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

The Parties will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. If the Parties are unable to agree, they will submit the dispute to the Settlement Administrator for a final decision. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement Agreement.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written “Request for Exclusion” letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement that you wish to be excluded from the class action settlement.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all Aggrieved Employees who worked for Defendant during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Payment. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator. Your written objection should include your name, address, last four digits of your Social Security Number, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in in Department S-17 of the San Bernardino County Superior Court, located at 247 W. Third Street, San Bernardino, California 92415. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Alfredo Salazar Meza v. Open Door Packaging, LLC, et al.*, San Bernardino Superior Court Case No. CIVSB2200570. You do not need to object in writing to be heard at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department S-17 of the San Bernardino County Superior Court, located at 247 W. Third Street, San Bernardino, California 92415. The Court also will be asked to rule on Class Counsel’s request for attorneys’ fees and reimbursement of documented costs and expenses and the Service Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the San Bernardino County Superior Court, located at 247 W. Third Street, San Bernardino, CA. 92415, during regular court hours. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT, OR ITS ATTORNEYS FOR
INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT PAYMENT

ALFREDO SALAZAR MEZA v. OPEN DOOR PACKAGING, LLC, et al.,
SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVSB2200570

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Payment:

According to Open Door Packaging, LLC dba Open Door Solutions, LLC's ("Defendant") records:

- (a) you worked [REDACTED] workweeks as a non-exempt, hourly paid employee for Defendant in California between January 4, 2018, through January 9, 2023; and
- (b) you worked [REDACTED] Pay Periods as a non-exempt, hourly paid employee for Defendant in California between January 4, 2021, through January 9, 2023.

Based on the above, your Individual Settlement Payment is estimated at \$ [REDACTED].

(IV) If you disagree with items (a) and/or (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from Defendant's records, Defendant's records will control unless you are able to provide documentation that establishes otherwise, and that Defendant's records are mistaken. If there is a dispute about whether Defendant's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>.**

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

January 4, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Alfredo Salazar Meza v. Open Door Packaging, LLC, et al.*

To Whom It May Concern:

Please be advised that this law firm represents Alfredo Salazar Meza (“Mr. Meza”) in claims arising from his employment with Open Door Packaging, LLC; Open Door Solutions LLC; and Does 1 through 100 (collectively “Open Door”). Mr. Meza is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Open Door’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of Open Door’s non-exempt employees who worked for Open Door in California during the one year immediately preceding the date of this letter through the present.

Mr. Meza was employed by Open Door as a non-exempt employee from approximately May 2019 until January 21, 2021. During his employment with Open Door, Mr. Meza worked as a driver and also worked as a “warehouse” employee.

Throughout Mr. Meza’s employment with Open Door, Open Door utilized a timekeeping system which resulted in Mr. Meza and other aggrieved employees not being compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise. Specifically, upon information and belief, Open Door rounded Mr. Meza’s timekeeping entries in an uneven manner to a quarter of an hour increment, so that, over a period of time, Mr. Meza was deprived of all earned minimum and overtime wages. Upon information and belief, Open Door’s timekeeping system regularly, systematically, and impermissibly rounded the hours worked by Mr. Meza and other aggrieved employees in Open Door’s favor, resulting, over a period of time, in the failure to compensate Mr. Meza and other aggrieved employees for all hours worked. As a result, Mr. Meza and other aggrieved employees were not compensated for all required minimum and overtime wages.

Open Door failed to provide Mr. Meza and other aggrieved employees with all

legally compliant meal periods due to Open Door's meal period policies/practices, which have frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), and missed meal periods. Specifically, Mr. Meza's and other aggrieved employees' meal periods frequently commenced after the completion of five hours of work as Mr. Meza and other aggrieved employees would need to complete certain job duties, such as unloading a truck, before a meal period was provided, resulting in "late" first meal periods. Additionally, Open Door did not require Mr. Meza to record his meal periods. Instead, upon information and belief, Open Door automatically deducted 30 minutes from the total hours worked for each shift worked regardless of whether Mr. Meza took a full 30-minute compliant meal period. On those occasions when Mr. Meza and other aggrieved employees were not provided with all legally-compliant meal periods to which they were entitled, Open Door failed to compensate Mr. Meza and other aggrieved employees with the required meal period premium(s) for each workday there was a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Open Door maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that a legally-compliant meal period was not provided to its non-exempt employees.

As a result of Open Door's failure to pay all minimum and overtime wages and failure to pay all meal period premium wages, Open Door failed to timely pay all final wages to Mr. Meza and other aggrieved employees upon their separation of employment from Open Door. As a further result of Open Door's failure to pay all minimum and overtime wages and failure to pay all meal period premium wages, Open Door maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Meza and other aggrieved employees.

As described above, Open Door committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 7 ("Wage Order 7"):

Minimum Wage Violations

Open Door was required to pay Mr. Meza and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 7, § 4. As alleged above, Open Door failed to conform its pay practices to the requirements of the law by failing to pay Mr. Meza and other aggrieved employees for all hours worked, including, but not limited to, all hours they were subject to the control of Open Door and/or suffered or permitted to work under the California Labor Code and Wage Order 7. As a result of these policies/practices, which failed to compensate for all hours worked, Mr. Meza and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Open Door was required to pay Mr. Meza and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per

workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 7, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” As alleged above, Open Door caused Mr. Meza and other aggrieved employees to work overtime hours, but failed to credit these employees with all overtime hours actually worked. As a result of these policies/practices, Mr. Meza and other aggrieved employees were not compensated for all overtime and double-time wages.

Meal Period Violations

As alleged above, Open Door failed to provide Mr. Meza and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 7, § 11. As a result, Mr. Meza and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Wage Statement Violations

Open Door was required to furnish Mr. Meza and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 7, § 7. As a result of Open Door’s failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal period premium wages, Open Door maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Meza and other aggrieved employees in violation of Labor Code § 226. Open Door’s failure to comply with its wage statement obligations was knowing and intentional, and Mr. Meza and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Open Door failed to timely pay Mr. Meza and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal period

premium wages. Pursuant to Labor Code § 203, Open Door's failure to pay all final wages due to Mr. Meza and other aggrieved employees was willful and, consequently, entitles Mr. Meza and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Open Door failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Meza will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Meza's own investigation, and on information and belief, Open Door committed and continues to commit the following Labor Code violations:

- a. Open Door violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Mr. Meza and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Open Door violated Labor Code §§ 204, 510, 1194, and 1198 by failing to pay Mr. Meza and other aggrieved employees all overtime compensation earned;
- c. Open Door violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Meza and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Open Door violated Labor Code § 226 by failing to furnish Mr. Meza and other aggrieved employees with accurate and compliant itemized wage statements;
- e. Open Door violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Mr. Meza and other aggrieved employees;
- f. Open Door violated Labor Code § 204 by failing to pay Mr. Meza and other aggrieved employees all wages earned at least twice during each calendar month; and
- g. Open Door violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Meza and other aggrieved employees.

LWDA
January 4, 2022
Page 5 of 5

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Open Door if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC

A handwritten signature in blue ink, appearing to be 'P. H.', is written over the printed name Paul K. Haines.

Paul K. Haines

cc: Open Door Packaging, LLC (via certified mail);
Open Door Solutions LLC (via certified mail)

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 01/05/2022

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8362 9050 07

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 01/04/2022

ORIGINAL INTENDED RECIPIENT:

OPEN DOOR SOLUTIONS LLC

C/O: KEN A CRUZ

525 ALLAIRE CIR

SACRAMENTO CA 95835-2437

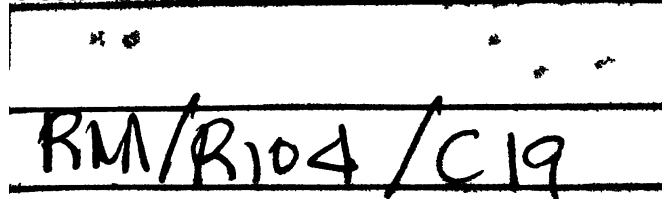
Mailer: Haines Law Group

Date Produced: 01/10/2022

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8362 9050 07. Our records indicate that this item was delivered on 01/07/2022 at 01:17 p.m. in SACRAMENTO, CA 95835. The scanned image of the recipient information is provided below.

Signature of Recipient :



RM/R104/C19

Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

OPEN DOOR SOLUTIONS LLC
C/O: KEN A CRUZ
525 ALLAIRE CIR
SACRAMENTO CA 95835-2437

Customer Reference Number: C3147412.18289656

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 01/05/2022

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8362 9049 49

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 01/04/2022

ORIGINAL INTENDED RECIPIENT:

OPEN DOOR PACKAGING LLC

C/O: PASQUALE RUSSO

3433 WESTERN SPRINGS RD

ENCINITAS CA 92024-5711



Mailer: Haines Law Group

Date Produced: 01/10/2022

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8362 9049 49. Our records indicate that this item was delivered on 01/07/2022 at 09:32 a.m. in ENCINITAS, CA 92024. The scanned image of the recipient information is provided below.

Signature of Recipient :

P. Russo
PASQUALE RUSSO

Address of Recipient :

3433 WESTERN SPRINGS R
ENCINITAS, CA 92024-5711

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EXHIBIT C

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

ALFREDO SALAZAR MEZA, as an
individual and on behalf of all others similarly
situated,

Plaintiff,

vs.

OPEN DOOR PACKAGING, LLC, a
California limited liability company; OPEN
DOOR SOLUTIONS LLC, a California
limited liability company; and DOES 1
through 100,

Defendants.

CASE NO. CIVSB2200570

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT:**

- (1) **MINIMUM WAGE VIOLATIONS
(LABOR CODE §§ 1182.12, 1194,
1194.2, 1197);**
- (2) **FAILURE TO PAY ALL
OVERTIME WAGES (LABOR
CODE §§ 204, 510, 1194, 1198);**
- (3) **MEAL PERIOD VIOLATIONS
(LABOR CODE §§ 226.7, 512, 558);**
- (4) **WAGE STATEMENT PENALTIES
(LABOR CODE § 226 *et seq.*);**
- (5) **WAITING TIME PENALTIES
(LABOR CODE §§ 201-203); and**
- (6) **UNFAIR COMPETITION (BUS &
PROF CODE § 17200 *et seq.*).**
- (7) **CIVIL PENALTIES UNDER THE
PRIVATE ATTORNEYS
GENERAL ACT (LABOR CODE §
2698 *et seq.*).**

**DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE**

1 Plaintiff Alfredo Salazar Meza (“Plaintiff”), on behalf of himself and all others similarly
2 situated, hereby brings this First Amended Class and Representative Action Complaint
3 (“Complaint”) against Defendants Open Door Packaging, LLC, a California limited liability
4 company; Open Door Solutions LLC, a California limited liability company; and DOES 1 to 100,
5 inclusive (collectively “Defendants”), and on information and belief alleges as follows:

6 **JURISDICTION**

7 1. Plaintiff, on behalf of himself and all others similarly situated, hereby brings this
8 Complaint for recovery of unpaid wages and penalties under California Business and Professions
9 Code § 17200 *et. seq.*, Labor Code §§ 201-204, 210, 226, 226.7, 512, 558, 1182.12, 1194, 1194.2,
10 1197, 1198, 2698 *et. seq.*, and Industrial Welfare Commission Wage Order 7 (“Wage Order 7”),
11 in addition to seeking injunctive relief, declaratory relief, and restitution. This Complaint is
12 brought pursuant to California Code of Civil Procedure § 382. This Court has jurisdiction over
13 Defendants’ violations of the California Labor Code because the amount in controversy exceeds
14 this Court's jurisdictional minimum.

15 **VENUE**

16 2. Venue is proper in this judicial district pursuant to California Code of Civil
17 Procedure §§ 395(a) and 395.5, as at least some of the acts and omissions complained of herein
18 occurred in San Bernardino County. Defendants own, maintain offices, transact business, have an
19 agent or agents within San Bernardino County, and/or otherwise are found within San Bernardino
20 County, and Defendants are within the jurisdiction of this Court for purposes of service of process.

21 **PARTIES**

22 3. Plaintiff is, and at all times relevant herein was, an individual over the age of
23 eighteen (18). At all relevant times herein, Plaintiff was, and currently is, a California resident.
24 Within the statute of limitations periods applicable to each cause of action pled herein, Plaintiff
25 was employed by Defendants as a non-exempt employee. Plaintiff was, and is, a victim of
26 Defendants’ policies and/or practices complained of herein, lost money and/or property, and has
27 been deprived of the rights guaranteed by California Business and Professions Code § 17200 *et.*
28 *seq.*, Labor Code §§ 201-204, 210, 226, 226.7, 512, 558, 1182.12, 1194, 1194.2, 1197, 1198,

2698 *et, seq.*, and Wage Order 7, which sets employment standards for the mercantile industry.

4. Plaintiff is informed and believes, and based thereon alleges, that during the applicable statute of limitations for each cause of action pled herein and continuing to the present, Defendants engage in and continue to engage in warehouse and fulfillment services for the hair care and beauty industry, and employed Plaintiff and other, similarly-situated non-exempt employees within San Bernardino County, and the State of California and, therefore, were (and are) doing business in San Bernardino County and the State of California.

5. Plaintiff does not know the true names or capacities, whether individual, partner, or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to amend this Complaint when such true names and capacities are discovered. Plaintiff is informed, and believes, and based thereon alleges, that each of said fictitious defendants, whether individual, partners, or corporate, were responsible in some manner for the acts and omissions alleged herein, and proximately caused Plaintiff and the Classes (as defined in Paragraph 13) to be subject to the unlawful employment practices, wrongs, injuries and damages complained of herein.

6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned herein, Defendants were and are the employers of Plaintiff and all members of the Classes.

7. At all relevant times, each of said Defendants participated in the doing of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the Defendants, and each of them, were the agents, servants, and employees of each and every one of the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned were acting within the course and scope of said agency and employment. Defendants, and each of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or omissions complained of herein.

8. At all times mentioned herein, Defendants, and each of them, were members of and engaged in a joint venture, partnership, and common enterprise, and acting within the course and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further, Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all

1 members of the Classes.

2 **GENERAL FACTUAL ALLEGATIONS**

3 9. Plaintiff was employed by Defendants as a non-exempt employee from
4 approximately May 2019 until January 21, 2021. During his employment with Defendants,
5 Plaintiff worked as a driver and also worked as a “warehouse” employee.

6 10. Throughout Plaintiff’s employment with Defendants, Defendants utilized a
7 timekeeping system which resulted in Plaintiff and other non-exempt employees not being
8 compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise.
9 Specifically, upon information and belief, Defendants rounded Plaintiff’s timekeeping entries in
10 an uneven manner to a quarter of an hour increment, so that, over a period of time, Plaintiff was
11 deprived of all earned minimum and overtime wages. Upon information and belief, Defendants’
12 timekeeping system regularly, systematically, and impermissibly rounded the hours worked by
13 Plaintiff and non-exempt employees in Defendants’ favor, resulting, over a period of time, in the
14 failure to compensate Plaintiff and other non-exempt employees for all hours worked. As a result,
15 Plaintiff and other non-exempt employees were not compensated for all required minimum and
16 overtime wages.

17 11. Defendants failed to provide Plaintiff and other non-exempt employees with all
18 legally compliant meal periods due to Defendants’ meal period policies/practices, which have
19 frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes),
20 and missed meal periods. Specifically, Plaintiff’s and other non-exempt employees’ meal periods
21 frequently commenced after the completion of five hours of work as Plaintiff and other non-
22 exempt employees would need to complete certain job duties, such as unloading a truck, before a
23 meal period was provided, resulting in “late” first meal periods. Additionally, Defendants did not
24 require Plaintiff to record his meal periods. Instead, upon information and belief, Defendants
25 automatically deducted 30 minutes from the total hours worked for each shift worked regardless
26 of whether Plaintiff took a full 30-minute compliant meal period. On those occasions when
27 Plaintiff was not provided with all legally-compliant meal periods to which he was entitled,
28 Defendants failed to compensate Plaintiff with the required meal period premium(s) for each

workday there was a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Defendants maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that a legally-compliant meal period was not provided to their non-exempt employees.

12. As a result of Defendants' failure to pay all minimum and overtime wages and failure to pay all meal period premium wages, Defendants failed to timely pay all final wages to Plaintiff and other former employees upon their separation of employment from Defendants. As a further result of Defendants' failure to pay all minimum and overtime wages and failure to pay all meal period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Plaintiff and other non-exempt employees.

CLASS ACTION ALLEGATIONS

13. **Class Definitions:** Plaintiff brings this action on behalf of himself and the following Classes pursuant to § 382 of the Code of Civil Procedure:

- a. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California who were subject to Defendants' timekeeping policies and/or practices, during the four years immediately preceding the filing of this action through the present.
- b. The Overtime Class consists of all of Defendants' current and former non-exempt employees in California who worked more than eight (8) hours per day and/or forty (40) hours per week and were subject to Defendants' timekeeping policies and/or practices, during the four years immediately preceding the filing of this action through the present.
- c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees in California who worked at least one shift in excess of 5.0 hours, during the four years immediately preceding the filing of this action through the present.
- d. The Wage Statement Class consists of all members of the Minimum Wage Class, Overtime Class, and/or Meal Period Class, during the one year immediately

preceding the filing of the Complaint through the present.

- e. The Waiting Time Penalty Class consists of Defendants' formerly employed members of the Minimum Wage Class, Overtime Class, and/or Meal Period Class, during the three years immediately preceding the filing of the Complaint through the present.

14. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the Classes and Subclasses are unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than fifty (50) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

15. **Common Questions of Law and Fact Predominate/Well Defined Community of Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated employees, which predominate over questions affecting only individual members including, without limitation to:

- i. Whether Defendants properly paid all overtime wages to members of the Overtime Class;
- ii. Whether Defendants paid at least the minimum wage for all hours worked to members of the Minimum Wage Class;
- iii. Whether Defendants provided all legally compliant meal periods to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;
- iv. Whether Defendants provided meal period premium payments for non-compliant meal and rest periods;
- v. Whether Defendants furnished legally compliant wage statements to members of the Wage Statement Class pursuant to Labor Code § 226; and
- vi. Whether Defendants' policies and/or practices for the timing and amount of payment of final wages to members of the Waiting Time Class at the time of their separation of employment were lawful.

16. **Predominance of Common Questions:** Common questions of law and fact

predominate over questions that affect only individual members of the Classes. The common questions of law set forth above are numerous and substantial and stem from Defendants' policies and/or practices applicable to each individual class member, including but not limited to Defendants' timekeeping policies/practices, and meal period policies/practices. As such, the common questions predominate over individual questions concerning each individual class member's showing as to their eligibility for recovery or as to the amount of their damages.

17. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because Plaintiff was employed by Defendants as a non-exempt employee in California during the statute(s) of limitations period applicable to each cause of action pled in the Complaint. As alleged herein, Plaintiff, like the members of the Classes, was not paid all minimum and overtime wages owed due to Defendants' timekeeping policies/practices, was not provided all required meal periods, did not receive premium pay for non-compliant meal periods, was not paid all wages owed at termination of employment, and was not provided with accurate, compliant, itemized wage statements.

18. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps to represent fairly and adequately the interests of the members of the Classes. Moreover, Plaintiff's attorneys are ready, willing and able to fully and adequately represent the members of the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-and-hour class actions in state and federal courts in the past and are committed to vigorously prosecuting this action on behalf of the members of the Classes.

19. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an

individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Moreover, requiring each member of the Class(es) to pursue an individual remedy would also discourage the assertion of lawful claims by employees who would be disinclined to file an action against their former and/or current employer for real and justifiable fear of retaliation and permanent damages to their careers at subsequent employment. Further, the prosecution of separate actions by the individual class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual class members against Defendants herein; and which would establish potentially incompatible standards of conduct for Defendants; and/or legal determinations with respect to individual class members which would, as a practical matter, be dispositive of the interest of the other class members not parties to adjudications or which would substantially impair or impede the ability of the class members to protect their interests. Further, the claims of the individual members of the Class are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto. As such, the Classes identified in Paragraph 13 are maintainable as classes under § 382 of the Code of Civil Procedure.

FIRST CAUSE OF ACTION

MINIMUM WAGE VIOLATIONS

(AGAINST ALL DEFENDANTS)

20. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

21. Wage Order 7, § 4 and California Labor Code §§ 1197 and 1182.12 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by state law. Labor Code §§ 1194(a) and 1194.2(a) provide that an employee who has not been paid the legal minimum wage as required by Labor Code § 1197 may recover the unpaid balance together with attorneys' fees and costs of suit, as well as liquidated damages in an amount equal to the unpaid wages and interest accrued thereon. At all relevant times herein, Defendants failed to conform its pay practices to the requirements of the law by failing to pay Plaintiff and members of the

1 Minimum Wage Class for all hours worked, including, but not limited to, all hours they were
2 subject to the control of Defendants and/or suffered or permitted to work under the California
3 Labor Code and Wage Order 7.

4 22. California Labor Code § 1198 makes unlawful the employment of an employee
5 under conditions that the IWC prohibits. California Labor Code §§ 1194(a) and 1194.2(a) provide
6 that an employer who has failed to pay its employees the legal minimum wage is liable to pay
7 those employees the unpaid balance of the unpaid wages as well as liquidated damages in an
8 amount equal to the wages due and interest thereon.

9 23. As a consequence of Defendants' non-payment of minimum wages, Plaintiff and
10 members of the Minimum Wage Class seek penalties pursuant to Wage Order 7 § 20(A) and
11 California Labor Code § 1199; interest pursuant to California Labor Code §§ 218.6 and 1194 and
12 Civil Code §§ 3287 and 3289; liquidated damages pursuant to California Labor Code § 1194.2;
13 attorneys' fees and costs of suit pursuant to California Labor Code § 1194 *et seq.*; and damages
14 and/or penalties pursuant to California Labor Code § 558(a).

15 **SECOND CAUSE OF ACTION**

16 **FAILURE TO PAY ALL OVERTIME WAGES**

17 **(AGAINST ALL DEFENDANTS)**

18 24. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

19 25. This cause of action is brought pursuant to Labor Code §§ 204, 510, 1194, and
20 1198, which provide that non-exempt employees are entitled to all overtime wages and
21 compensation for all overtime hours worked and provide a private right of action for the failure
22 to pay all overtime compensation for overtime work performed.

23 26. At all times relevant herein, Defendants were required to properly compensate
24 non-exempt employees, including Plaintiff and members of the Overtime Class, for all overtime
25 hours worked pursuant to California Labor Code § 1194 and Wage Order 7. Wage Order 7, § 3
26 requires an employer to pay an employee "one and one-half (1½) times the employee's regular
27 rate of pay" for all overtime hours work. Defendants caused Plaintiff and members of the
28 Overtime Class to work overtime hours, but failed to credit these employees with all overtime

1 hours actually worked.

2 27. The foregoing policies and practices are unlawful and create entitlement to
3 recovery by Plaintiff and the Overtime Class members in a civil action for the unpaid amount of
4 overtime premiums owing, including interest thereon, statutory penalties, attorneys' fees, and
5 costs of suit according to California Labor Code §§ 204, 210, 216, 218.6, 510, 1194, and 1198;
6 Code of Civil Procedure § 1021.5; and Civil Code §§ 3287 and 3289.

7 **THIRD CAUSE OF ACTION**

8 **MEAL PERIOD VIOLATIONS**

9 **(AGAINST ALL DEFENDANTS)**

10 28. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

11 29. Plaintiff is informed and believes, and based thereon alleges, that Defendants
12 failed in their affirmative obligation to provide all of their non-exempt employees in California,
13 including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods
14 in accordance with the mandates of the California Labor Code and Wage Order 7, § 11. Despite
15 Defendants' violations, Defendants did not pay an additional hour of pay to Plaintiff and members
16 of the Meal Period Class at their respective regular rates of compensation, in accordance with
17 California Labor Code §§ 204, 210, 226.7, and 512.

18 30. As a result, Defendants are responsible for paying premium compensation for meal
19 period violations including interest thereon, statutory penalties, civil penalties, and costs of suit,
20 pursuant to Labor Code §§ 226.7, 512, 558, Wage Order 7, and Civil Code §§ 3287(b) and 3289.

21 **FOURTH CAUSE OF ACTION**

22 **WAGE STATEMENT VIOLATIONS**

23 **(AGAINST ALL DEFENDANTS)**

24 31. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

25 32. Plaintiff is informed and believes, and based thereon alleges, that Defendants
26 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
27 and members of the Wage Statement Class with complete and accurate itemized wage statements
28 in violation of Labor Code § 226 *et seq.*

33. Defendants' failures in furnishing Plaintiff and Wage Statement Class members with complete and accurate itemized wage statements resulted in injury, as said failures deprived them of the information necessary to identify the discrepancies in Defendants' reported data, and deprived them of the information required to be included under Labor Code § 226(a).

34. Defendants' failures create an entitlement to recovery by Plaintiff and members of the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor Code § 226 *et seq.*, including statutory penalties, civil penalties, reasonable attorneys' fees, and costs of suit according to California Labor Code § 226 *et seq.*

FIFTH CAUSE OF ACTION

WAITING TIME PENALTIES

(AGAINST ALL DEFENDANTS)

35. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

36. This cause of action is brought pursuant to Cal. Labor Code §§ 201-203, which require an employer to pay all wages immediately at the time of separation of employment in the event the employer discharges the employee or the employee provides at least 72 hours of notice of their intent to quit. In the event the employee provides less than 72 hours of notice of their intent to quit, said employee's wages become due and payable not later than 72 hours upon said employee's last date of employment.

37. Plaintiff is informed and believes, and based thereon alleges, that Defendants failed to timely pay Plaintiff and members of the Waiting Time Class all final wages due to them at their separation from employment, including unpaid minimum and overtime wages as well as unpaid meal period premium wages.

38. Further, Plaintiff is informed and believes, and based thereon alleges, that as a matter of uniform policy and practice, Defendants continue to fail to pay Plaintiff and members of the Waiting Time Class all earned wages at the end of employment in a timely manner pursuant to the requirements of Cal. Labor Code §§ 201-203.

39. Defendants' failure to pay all final wages was willful within the meaning of Cal. Labor Code § 203. Defendants' willful failure to timely pay Plaintiff and the members of the

Waiting Time Class their earned wages upon separation from employment results in a continued payment of daily wages up to thirty days from the time the wages were due.

40. Plaintiff and members of the Waiting Time Class are entitled to compensation pursuant to Cal. Labor Code § 203, plus reasonable attorneys' fees and costs of suit.

SIXTH CAUSE OF ACTION

UNFAIR COMPETITION

(AGAINST ALL DEFENDANTS)

41. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

42. Defendants have engaged and continue to engage in unfair and/or unlawful business practices in California in violation of California Business and Professions Code § 17200 *et seq.*, by: (a) failing to pay Plaintiff and members of the Overtime Class all overtime wages owed; (b) failing to pay Plaintiff and members of the Minimum Wage Class all minimum wages; (c) failing to provide Plaintiff and members of the Meal Period Class with all meal periods to which they are entitled, and failing to pay them meal period premium payments; (d) failing to issue accurate and itemized wage statements to the Wage Statement Class; and (e) failing to pay Plaintiff and members of the Waiting Time Class all wages due at separation of employment.

43. Defendants' utilization of these unfair and/or unlawful business practices deprived Plaintiff and continues to deprive members of the Classes of compensation to which they are legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage over Defendants' competitors who have been and/or are currently employing workers and attempting to do so in honest compliance with applicable wage and hour laws.

44. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged herein, Plaintiff for himself and on behalf of the members of the Classes, seeks full restitution of monies, as necessary and according to proof, to restore any and all monies withheld, acquired and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

45. The acts complained of herein occurred within the last four years immediately preceding the filing of the Complaint in this action.

46. Plaintiff was compelled to retain the services of counsel to file this court action to

1 protect his interests and those of the Classes, to obtain restitution and injunctive relief on behalf
2 of Defendants' current non-exempt employees, and to enforce important rights affecting the
3 public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs,
4 which he is entitled to recover under Code of Civil Procedure § 1021.5.

5 **SEVENTH CAUSE OF ACTION**

6 **PRIVATE ATTORNEY GENERAL ACT**

7 **(AGAINST ALL DEFENDANTS)**

8 47. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

9 48. Defendants have committed several Labor Code violations against Plaintiff,
10 members of the Classes, and other aggrieved employees. Plaintiff, an "aggrieved employee"
11 within the meaning of Labor Code § 2698 *et seq.*, acting on behalf of himself and other aggrieved
12 employees, brings this representative action against Defendants to recover the civil penalties due
13 to Plaintiff, the members of the Classes, other aggrieved employees, and the State of California
14 according to proof pursuant to Labor Code §§ 558 and 2699 (a) and (f) including, but not limited
15 to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for
16 each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for
17 each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for
18 each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558
19 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each
20 subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00
21 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code §
22 226.3 per employee per pay period; and/or (5) \$100.00 for each initial violation and \$200.00 for
23 each subsequent violation per employee per pay period for those violations of the Labor Code
24 for which no civil penalty is specifically provided, based on the following Labor Code violations:

- 25 a. Failing to compensate Plaintiff and other aggrieved employees the statutory
26 minimum wage for all hours worked in violation of Labor Code §§ 1182.12,
27 1194, 1194.2, and 1197;

- b. Failing to compensate Plaintiff and other aggrieved employees all overtime wages earned in violation of Labor Code §§ 204, 510, 558, 1194, and 1198;
- c. Failing to provide Plaintiff and other aggrieved employees of all legally required meal periods and failing to pay meal period premiums at the employees' respective regular rates of compensation in violation of Labor Code §§ 226.7, 512, 558, and 1198;
- d. Failing to furnish accurate itemized wage statements to Plaintiff and other aggrieved employees, in violation of Labor Code § 226;
- e. Failing to compensate Plaintiff and similarly aggrieved employees with all earnings at their separation of employment in violation of Labor Code §§ 201-203;
- f. Failing to pay Plaintiff and other aggrieved employees all earned wages at least twice each calendar month in violation of Labor Code § 204; and
- g. Failing to maintain accurate records on behalf of Plaintiff and aggrieved employees in violation of Labor Code § 1174 and 1199.

49. On or about January 4, 2022, Plaintiff notified Defendants via certified mail and notified the California Labor and Workforce Development Agency ("LWDA") via its website, of Defendants' violations of the California Labor Code and Plaintiff's intent to bring a claim for civil penalties under California Labor Code § 2698 et seq. with respect to the violations of the California Labor Code identified in Paragraph 48 (a)-(g). Now that sixty-five days have passed from Plaintiff notifying Defendants and the LWDA of these violations, and the LWDA has not provided notice that it intends to investigate the violations, Plaintiff has exhausted his administrative requirements for bringing a claim under the Private Attorneys General Act with respect to these violations.

50. Based on the foregoing, Plaintiff seeks to represent himself, the State of California, and all aggrieved employees, as defined by Labor Code § 2699(c), which includes all current and former non-exempt employees who worked for Defendants in California between the one year prior to the submission of Plaintiff's PAGA notice to the present.

51. Plaintiff was compelled to retain the services of counsel to file this court action to protect his interest and the interests of other aggrieved employees, and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which he is entitled to recover under California Labor Code § 2699.

PRAYER

WHEREFORE, Plaintiff prays for judgment for himself and for all others on whose behalf this suit is brought against Defendants, as follows:

1. For an order certifying the proposed Classes;
2. For an order appointing Plaintiff as representative of the Classes;
3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
4. Upon the First Cause of Action, for payment of minimum wages, liquidated damages, and penalties according to proof pursuant to Labor Code §§ 1182.12, 1194, 1194.2, and 1197;
5. Upon the Second Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;
6. Upon the Third Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;
7. Upon the Fourth Cause of Action, for statutory penalties pursuant to Labor Code § 226 *et seq.*;
8. Upon the Fifth Cause of Action, for statutory waiting time penalties pursuant to Labor Code § 203;
9. Upon the Sixth Cause of Action, for restitution to Plaintiff and members of the Classes of all money and/or property unlawfully acquired by Defendants by means of any acts or practices declared by this Court to be in violation of Business and Professions Code § 17200 *et seq.*;
10. Upon the Seventh Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for

each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; (3) \$100.00 for each initial violation and \$250.00 for each subsequent violation pursuant to Labor Code § 1197.1 per employee per pay period; (4) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or (5) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the violations of Labor Code sections identified in Paragraph 48 (a)-(g) above.

11. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

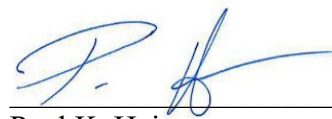
12. On all causes of action, for attorneys' fees and costs as provided by Labor Code §§ 226, 1194, 2699(g) and Code of Civil Procedure § 1021.5; and

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

Dated: May 16, 2023

Respectfully submitted,
HAINES LAW GROUP, APC

By:



Paul K. Haines
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

Dated: May 16, 2023

Respectfully submitted,
HAINES LAW GROUP, APC

By:



Paul K. Haines
Attorneys for Plaintiff