

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiff Margarita Garcia
and Proposed Class Counsel

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

MARGARITA GARCIA, on behalf of
herself and all “aggrieved employees”
pursuant to Labor Code § 2698 *et seq.*,

Plaintiff,

v.

GREENS OPERATIONS, INC., a
California corporation, GMPM
HOSPITALITY, LLC, a California limited
liability company, and DOES 1 through 10,
inclusive,

Defendants.

CASE NO: CVBL2200087

Assigned to the Hon. Harold W. Hopp, Dept. 1

CLASS ACTION

**DECLARATION OF DANIEL F. GAINES IN
SUPPORT OF RENEWED UNOPPOSED
MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

Date: December 15, 2023

Time: 8:30 a.m.

Dept.: 11

Complaint Filed: June 14, 2022

1 I, DANIEL F. GAINES, hereby declare and state as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of California. I am
3 a shareholder of Gaines & Gaines, APLC, counsel for Plaintiff Margarita Garcia (“Garcia” or
4 “Plaintiff”) and proposed Class Counsel in this action. I have personal knowledge of the facts set
5 forth herein and if called as a witness to testify to them, I could and would do so competently.

6 **Education and Experience:**

7 2. I obtained my BS degree from the University California at Berkeley in 2003. I
8 majored in Business Administration at the Haas School of Business.

9 3. Thereafter, I attended the University of Virginia School of Law. At Virginia, I was
10 a member of the editorial board of the Virginia Tax Review. I was also the recipient of the Lacy
11 Armour Scholarship, awarded to recognize academic excellence. At Virginia, I focused my
12 studies on tax and real estate. I earned my JD and became a member of the California Bar in 2007.

13 4. Until his retirement, I practiced law with my partner/father, Kenneth, at Gaines &
14 Gaines, APLC. My father practiced law in California for over 40 years, emphasizing litigation for
15 the vast majority of his career. Our current practice specializes in litigation, with an emphasis in
16 employment disputes like this one. Over 95% of our practice is devoted to complex employment
17 litigation.

18 5. My firm has represented employees in complex employment matters such as this
19 one, with an emphasis in wage and hour issues. I have participated in and have been certified as
20 class counsel in dozens of class action matters since my admission to the Bar. A list of the cases
21 in which I have been appointed as class counsel is attached hereto as **Exhibit A**.

22 **Factual and Procedural Background:**

23 6. On March 28, 2022 and March 29, 2022, Plaintiff Garcia exhausted the pre-filing
24 requirements of the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

25 7. On June 14, 2022, Plaintiff Garcia initiated her Action in the Riverside County
26 Superior Court by filing a complaint, pursuant to PAGA, on behalf of herself and all other
27 aggrieved employees.

1 8. Thereafter, Plaintiff dismissed Defendant GMPM Hospitality, LLC from the Action
2 following an individual resolution of her claims.

3 9. On November 9, 2023, Plaintiff filed her First Amended Complaint. As set forth in
4 the First Amended Complaint, the Action asserts claims against Defendant for (1) failure to pay
5 all minimum and overtime wages due (Labor Code §§ 510, 1194, and 1194.2 and IWC Wage
6 Order 5-2001); (2) failure to provide rest periods or compensation in lieu thereof (Labor Code §
7 226.7 and IWC Wage Order 5-2001); (3) failure to provide meal periods or compensation in lieu
8 thereof (Labor Code §§ 226.7, 512, 1174, 1174.5, and 1198 and IWC Wage Order 5-2001); (4)
9 knowing and intentional failure to comply with itemized employee wage statement provisions
10 (Labor Code §§ 226(a) and (e)); (5) failure to maintain and produce payroll records (Labor Code
11 §§ 1174 and 1174.5); (6) failure to timely pay wages due at the separation of employment (Labor
12 Code §§ 201-203); (7) violation of Business and Professions Code § 17200 for underlying
13 violations of the Labor Code as set forth in the Action; and (8) civil penalties pursuant to PAGA
14 for underlying violations of the Labor Code as set forth in the Action, including Labor Code §
15 432.5.

16 10. Defendant denies any liability or wrongdoing of any kind associated with the claims
17 alleged in the Action, and further denies that the Action is appropriate for class treatment for any
18 purpose other than this settlement. Defendant contends that it has complied at all times with the
19 California Labor Code. It is Defendant's position that, if this case were to be litigated, class
20 certification would be inappropriate because Plaintiff is not an adequate Class Representative,
21 Plaintiff's claims are not typical of putative class members, and individual issues predominate
22 over class issues, among other defenses. The Action, the negotiation and execution of this
23 Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance
24 of this Settlement Agreement (i) shall not be used as an admission, or as evidence of wrongdoing
25 by the Defendant, or for any other purpose whatsoever; (ii) shall not be an admission or evidence
26 of fault on behalf of Defendant in any action before a civil court, criminal court, administrative
27 agency of any type, or other tribunal; and (iii) shall not be deemed to be, and may not be used as,

1 an admission or evidence of the appropriateness of these or similar claims for class certification
2 in the Action or with respect to any other proceeding whatsoever.

3 11. The Class Representative contends that Defendant violated the California Labor
4 Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class
5 certification.

6 **Investigation and Settlement Discussions [CMO G(3)(a)(vi)-(vii)]:**

7 12. My colleagues and I have conducted a thorough investigation into the facts and law
8 during the prosecution of this class action case, including the exchange of extensive informal
9 discovery and the review and verification of statistical data and other facts and information
10 provided by Defendant. My colleagues and I investigated the applicable law as applied to the facts
11 discovered regarding the alleged claims of Plaintiff and potential defenses thereto, and the
12 damages and other losses claimed by Plaintiff. Specifically, Defendant provided my office with
13 Plaintiff's employee file, Defendant's employee handbook, an exemplar of the arbitration
14 agreement signed by many of Defendant's employees, a redacted list of employees, together with
15 their dates of employment, during the Class Period (including those who signed an arbitration
16 agreement), and wage and time data for nearly 100% of the total shifts worked by all non-exempt
17 employees during the Class Period.

18 13. On July 24, 2023, following their exchange of information and documents regarding
19 the Settlement Class and Aggrieved Employees and the claims and defenses asserted by the
20 Parties, the Parties engaged in arm's-length negotiations with the assistance of an experienced
21 wage and hour mediator, Steve Pearl, Esq., where the Parties were able to reach the resolution of
22 the Action set forth herein. Prior to mediation, my office and Defendant's counsel confirmed that
23 we were not aware of any class, representative, or collective action in any other court or in this
24 jurisdiction that asserts claims similar to those asserted in the action on behalf of a class or group
25 of individuals some or all of whom would also be members of the Class defined in this Action. At
26 the time of filing this Motion, my office and Defendant's counsel are aware of one former
27 employee of Defendant who complied with the administrative requirements of PAGA and mailed
28 a letter to Defendant and to the LWDA outlining her claims. Defendant's counsel attests that they

1 informed the former employee's counsel of Plaintiff's pending settlement. At the time of filing
2 this Motion, the former employee has not filed their complaint. My office performed one final
3 search on Courthouse News Service and the Department of Industrial Relations' PAGA search
4 site on December 7, 2023, which confirmed there are no other pending wage and hour lawsuits or
5 PAGA notice letters.

6 **Class Counsel's Assessment of the Fairness of the Settlement and the Risks of Continued**
7 **Litigation [CMO G(3)(a)(i)-(v), G(3)(c)(i), G(3)(d)(i), G(3)(e)(i)-(iv), G(3)(i), G(3)(j)),**
8 **G(9)(a), (b)(i)-(viii), G(9)(d)]:**

9 14. Based on our independent investigation and evaluation, my colleagues and I are of
10 the opinion that settlement for the consideration and on the terms set forth in this Settlement
11 Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class in
12 light of all known facts and circumstances, including the risk of significant delay, the risk the
13 Settlement Class will not be certified by the Court, and the defenses asserted by Defendant.

14 15. The Parties agree that the Settlement Class described herein may be certified for
15 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
16 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not
17 approved, the certification will have no force or effect and will immediately be revoked. The
18 Parties further agree that certification for purposes of the settlement is in no way an admission that
19 class certification is proper under the more stringent standard applied for litigation and that
20 evidence of this limited Settlement Agreement for settlement purposes only will not be admissible
21 for any purpose in this or any other proceeding.

22 16. The parties jointly prepared the Settlement Agreement and Release of Claims
23 ("Settlement Agreement", "Settlement", or "Stip."). A true and correct copy of the Settlement is
24 attached hereto as **Exhibit B**.

25 17. The proposed Settlement provides for a non-revisionary class settlement in the gross
26 amount of \$1,000,000 to a settlement class of approximately 307 Class Members and 727 PAGA
27 Aggrieved Employees, yielding average class payments of approximately \$1,856 and average
28 PAGA payments of \$34.39. The highest paid Class Member who worked the entire Class Period

1 would be paid approximately \$11,286.08 and the lowest paid Class Member would be paid
2 approximately \$54.26. As for the PAGA payments, the highest paid Aggrieved Employee who
3 worked the entire PAGA Period would be paid approximately \$198.56, and the lowest paid
4 Aggrieved Employee would be paid approximately \$1.64.

5 18. The Settlement provides that all employer payroll tax obligations due on wage
6 payments made from the Net Settlement Proceeds shall be paid by Defendant separately and apart
7 from, and in addition to, the Gross Settlement Amount.

8 19. From the Gross Settlement Amount, settlement administration fees paid to Phoenix
9 Settlement Administrators will be no more than \$20,000. My office obtained bids from both
10 Phoenix Settlement Administrators and ILYM Group, Inc. Phoenix Settlement Administrators'
11 bid was the least expensive option. My office has used Phoenix Settlement Administrators as the
12 settlement administrator in many of our cases and I can attest that their work is excellent.

13 20. From the Gross Settlement Amount, the portion to be allocated for settlement of any
14 and all claims for penalties under the PAGA is \$100,000 ("PAGA Payment"), 75% (\$75,000) of
15 which shall be paid directly to the LWDA and 25% (\$25,000) of which shall be paid to Aggrieved
16 Employees as part of the Net Settlement Proceeds. The Parties determined that allocating 10% of
17 the Gross Settlement Amount to resolve Plaintiff's PAGA claims was fair, reasonable, and
18 appropriate because the realistic penalties recoverable under PAGA in this Action are roughly
19 10% of Plaintiff's damage model.

20 21. Subject to Defendant's full payment of the Gross Settlement Amount and all
21 associated employer payroll tax obligations, Plaintiff and Class Members who do not timely opt-
22 out of the Settlement will release Defendant, together with its officers, directors, employees, and
23 agents from any and all claims alleged or that could have been alleged in the First Amended
24 Complaint based on the facts therein. No PAGA claims are encompassed in the released class
25 claims.

26 22. For tax purposes, the class portion of each Individual Payment Amount will be
27 apportioned (a) 20% as wages (reported on an IRS Form W-2 and subject to applicable
28 withholdings); and (b) 80% equally as penalties and interest (reported on an IRS Form 1099, if

1 required). The PAGA portion of each Individual Payment Amount will be apportioned 100% as
2 penalties (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to
3 Class Members and Aggrieved Employees will be subject to any applicable wage garnishments,
4 liens, or other legally mandated treatment as required by law. Determining the Individual Payment
5 Amounts' tax allocations is an art, not a science. The Parties believed that since the majority of
6 Plaintiff's claims and Defendant's potential liability came from penalties and interest, as discussed
7 below, that the majority of the Individual Payment Amounts should allocated as such.

8 23. Under the terms of the Settlement Agreement, the value of checks uncashed more
9 than 180 days after issuance shall be proportionately redistributed to those Class Members who
10 have cashed their checks based on the value of their first Settlement payment.

11 24. Subject to Defendant's full payment of the Gross Settlement Amount and all
12 associated employer payroll tax obligations, Plaintiff and the State of California will release
13 Defendant, together with its officers, directors, employees, and agents from any and all claims
14 alleged in Plaintiff's March 29, 2022 pre-filing letter to the LWDA. Aggrieved Employees' claims
15 for wages or damages are not being released.

16 25. My office and I, with the assistance of an expert statistician, Bennett Berger of
17 Berger Consulting Group, created a comprehensive damage analysis using sampling information
18 obtained through informal discovery. The sampling included 90% of all non-exempt California
19 employees employed during the Class Period (even those who signed an arbitration agreement and
20 are not included in the Settlement) and data from 99.9% of shifts worked by all non-exempt
21 California employees during the Class Period. The sample included all class members together
22 with individuals who entered into arbitration agreements who are carved out of the class but many
23 of whom remain part of the PAGA settlement. Accordingly, the damage model crafted by Mr.
24 Berger was significantly more substantial than the actual amount of damages recoverable on behalf
25 of the Class. My office therefor took the actual number of Class Members (307) and divided it by
26 the higher extrapolated number of total Class Members (773) to determine what percentage
27 (approximately 39.7%) to use to be able to create an accurate analysis which revealed the
28 maximum value of Class Members' and Aggrieved Employees' claims. My office did not re-create

1 the PAGA portion of the damage analysis as those numbers were still accurate and based off of
2 10,025 bi-weekly pay periods worked by Aggrieved Employees during the PAGA Period. The
3 damage analysis reveals that the negotiated settlement falls within a realistic range of recovery on
4 Class Members' claims.

5 26. Plaintiff contends that Defendant failed to pay Class Members all wages due in two
6 separate ways. First, Defendant allegedly paid Class Members bonuses and/or non-base hourly
7 wages, including, but not limited to, "Bonus (BON)," that were not included in their regular rate
8 of pay for purposes of paying them meal period premiums, sick pay, overtime, and double-time
9 wages at the correct rates, in violation of Labor Code §§ 226.7, 246, 510, 512, 558, and 1194 and
10 IWC Wage Order No. 5-2001. California Labor Code § 510 requires the payment of premium
11 overtime compensation based on employees' regular rate of pay. Labor Code § 207(e) defines the
12 "regular rate" to include all remuneration for employment paid to or on behalf of the employee.
13 California law mirrors federal law on the issue of computation of the regular rate of pay. The
14 leading case on this issue is *Walling v. Youngerman-Reynolds Hardware Co.* (1945) 324 U.S. 419,
15 424, which explains that the "regular rate" is "all payments which the parties have agreed shall be
16 received regularly during the workweek, exclusive of overtime payments. It is not an arbitrary
17 label chosen by the parties; it is an actual fact." This includes all forms of bonuses and other non-
18 base hourly wages. Here, when Class Members worked overtime hours and double-time hours,
19 they contend that they were paid at one and one-half times and double-time the base hourly rate
20 of pay. The bonuses and/or non-base hourly wages earned by Plaintiff and Class Members were
21 not discretionary within the meaning of the applicable regulation (29 U.S.C. § 207(e)), and
22 accordingly, must have been included in their regular rate of pay for purposes of determining their
23 overtime pay, double-time pay, sick pay, and meal period premiums. This claim was valued at
24 approximately \$4,713. Based on the data provided, Mr. Berger found that only 2.3% of pay periods
25 showed a Class Member earning overtime and additional compensation which could trigger a
26 potential violation. Mr. Berger found that only 315 pay periods during the PAGA Period exhibited
27 an alleged underpayment of overtime premium wages due to miscalculation of the regular rate and
28

1 calculated that Defendant could be liable for up to \$31,500 in PAGA civil penalties. Accordingly,
2 this claim has minimal damages.

3 27. Defendant also allegedly failed to pay Class Members all minimum and overtime
4 wages earned, in violation of Labor Code §§ 510, 1194, and 1194.2, when it occasionally paid
5 Class Members straight time wages only, with no adjustment for premium overtime wages.
6 Specifically, Class Members would work in excess of 8 hours per day and 40 hours per week, but
7 were not properly compensated for work performed in excess of eight (8) hours in a workday and
8 work performed in excess of forty (40) hours in a workweek at a rate of no less than one and one-
9 half times the regular rate of pay. Defendant produced policies and data that showed that it
10 compensated its employees for premium overtime wages. Based on Plaintiff's experiences, my
11 office estimated that Class Members worked off-the-clock for approximately seven minutes for
12 about half of the total shifts. This totaled approximately \$91,753 in damages. To calculate the
13 PAGA civil penalties for this claim, Mr. Berger assumed one violation per pay period and valued
14 Defendant's total potential PAGA civil penalties on this claim at \$1,002,500. However, based on
15 the data provided, Plaintiff's experience, and conversations with Defendant's counsel, my office
16 believes this number is quite high, and if Aggrieved Employees did work off-the-clock during
17 their employment, not every pay period was affected.

18 28. Plaintiff argues that Defendant failed to permit or authorize Class Members to take
19 timely 30-minute meal periods for shifts greater than 5 hours in length or second timely 30-minute
20 meal periods for shifts greater than 10 hours in length, in violation of Labor Code §§ 226.7, 512,
21 and 558 and IWC Wage Order 5-2001. Labor Code § 512 provides that employers may not employ
22 an employee for a work period of more than five hours without providing a 30-minute meal period
23 starting no later than the end of the fifth hour. The wage and time data provided by Defendant
24 through informal discovery demonstrates a facial meal period violation rate of 47.6%; Mr. Berger
25 determined that 67.7% of all pay periods during the PAGA Period exhibited some form of meal
26 period violation. 97.2% of shifts between 10 and 12 hours did not record a second meal period,
27 and 95.7% of shifts greater than 12 hours did not record a second meal period. Accordingly, meal
28 period premiums were allegedly owed. Based on these numbers, the damages on this claim were

1 valued up to \$370,116. Based on a 67.7% violation rate and 10,025 pay periods during the PAGA
2 Period, Mr. Berger found that Defendant could be liable for up to \$678,900 PAGA civil penalties.

3 29. Defendant allegedly failed to pay Class Members premium wages for missed,
4 denied, and unauthorized rest periods in violation of Labor Code § 226.7 and IWC Wage Order 5-
5 2001. Class Members allege that they were denied, and therefore unable to take, 10-minute rest
6 periods for every four hours of work or major fraction thereof, but were not paid premium wages
7 of one hour's pay for each missed, denied, and unauthorized rest period. Based on Plaintiff's
8 experiences, my office assumed a 100% violation rate for rest periods. Accordingly, damages were
9 calculated on this claim at up to \$813,823, which assumes a one-hour premium payment due for
10 every shift greater than 3.5 hours in length (i.e., \$16.27 for approximately 50,020 shifts). Mr.
11 Berger's analysis concluded that Defendant could be liable for up to \$1,002,500 in PAGA civil
12 penalties on this claim.

13 30. Plaintiff argues that Defendant failed to issue Class Members accurately itemized
14 wage statements. Specifically, Class Members were allegedly not paid all wages due, as detailed
15 above. As a result, the wage statements issued by Defendant to Class Members failed to accurately
16 state all gross wages earned, in violation of Labor Code § 226(a)(1), total hours worked, in
17 violation of Labor Code § 226(a)(2), net wages earned, in violation of Labor Code § 226(a)(5),
18 and all applicable hourly rates in effect during the pay period and the corresponding number of
19 hours worked at each hourly rate, in violation of Labor Code § 226(a)(9). The statutory damages
20 on this claim are valued at approximately \$342,300, calculated at the rate of \$50 for each of 217
21 initial wage statements during the applicable one-year limitations period and \$100 for each of
22 3,314 subsequent wage statements during that period. Mr. Berger further calculated Defendant's
23 potential PAGA civil penalties at approximately \$1,002,500 on this claim.

24 31. Finally, Plaintiff alleges that Defendant failed to pay certain Class Members all
25 wages due upon separation of employment, in violation of Labor Code §§ 201-203. As Defendant
26 purportedly failed to pay them all wages due during the course of their employment, as described
27 above, these wages were due and owing upon separation of employment yet went unpaid. Plaintiff
28 calculates damages on this claim at \$693,458 based on approximately 197 Class Members who

1 left their employment with Defendant during the Class Period. Based on approximately 338 former
2 Aggrieved Employees during the PAGA Period, Mr. Berger calculated that Defendant could be
3 liable for up to \$33,800 in PAGA civil penalties on this claim.

4 32. Based on the numbers provided by Mr. Berger, the estimated maximum amount of
5 damages that Class Members theoretically could be awarded at trial is approximately \$2,316,163,
6 inclusive of unpaid wages, meal and rest period premiums, waiting time penalties, and wage
7 statement penalties. The estimated maximum amount of PAGA civil penalties that Aggrieved
8 Employees theoretically could be awarded at trial is approximately \$3,751,700. However, my
9 office believes that a more accurate number is \$1,002,500, based on one penalty per pay period at
10 \$100 per penalty. As discussed below, it is unlikely that this Court would allow Plaintiff to stack
11 PAGA penalties, and therefore, this number is the most accurate estimation of potential PAGA
12 civil penalties Defendant could be found liable for.

13 33. There were numerous risks to recovery here which required a compromise to resolve
14 the Actions at this juncture of the litigation. The vast majority of employees entered into binding
15 arbitration agreements with Defendant, which would likely foreclose their participation in a class
16 action altogether. Defendant argued that any bonus or premium wages paid were discretionary,
17 such that it properly paid all wages, including overtime, sick pay, and meal and rest premiums at
18 the correct rates. It forcefully maintained that it enforced legally compliant written policies
19 regarding meal and rest periods that provided all employees with proper, timely meal and rest
20 breaks, and any missed meal and rest periods were waived by employees. Defendant argued that
21 no wage statement penalties or waiting time penalties would be recovered because it paid all wages
22 due, it acted in good faith at all times, and Class Members suffered no actionable injury. It also
23 took the position that PAGA penalties could not be stacked, and the Court would likely exercise
24 its discretion to reduce or eliminate them altogether, based on the alleged weakness of the claims
25 asserted. It also contended that a class could not be certified because of manageability concerns,
26 among other issues, particularly with respect to the claims for meal and rest periods. Finally,
27 Defendant argued that Plaintiff faced the risk that she would not obtain a maximum
28 damage/penalty award on all (or any of) her claims.

1 34. Defendant strongly contends that its policies and practices do not violate any laws.
2 It contends that it properly paid all wages and provided for all meal and rest periods and fully
3 compensated its employees for all time worked. It further contends that the wage statements it
4 provided to its employees are fully compliant with California law.

5 35. Defendant also contended that the Ninth Circuit has held that heightened PAGA
6 penalties are not appropriate where the defendant was not notified by the Labor Commissioner or
7 any court that it was committing any violation of the law. Defendant was not notified by the Labor
8 Commissioner or any court that it was subject to the California Labor Code, and has not been
9 previously cited by the Labor Commissioner for Labor Code violations. Therefore, any violations
10 prior to Plaintiff's LWDA letter are not subject to heightened penalties.

11 36. Additionally, Defendant contended that there is no California authority that
12 expressly permits the practice of counting multiple PAGA violations/penalties that occur within
13 the same pay period, known as "stacking" penalties. My office is aware of no court that has
14 actually stacked such PAGA penalties for multiple violations (meaning the "market" for PAGA
15 settlements is based on no stacking of penalties) and given the circumstances of this case, it is
16 unlikely that this Court would impose a massive penalty by stacking the PAGA penalty claims
17 against Defendant. Although stacking penalties is not unlawful, the majority of cases that address
18 awards of PAGA penalties focus on the court's discretion to reduce awards. Based thereon, the
19 non-stacking/one penalty per pay period is an appropriate evaluation for maximum potential
20 PAGA civil penalties exposure in this case.

21 37. Finally, Defendant contended it acted within the requirements of California law at
22 all times as to all Class Members and Aggrieved Employees. In particular, Defendant contends
23 that it paid all employees all minimum and overtime wages due. Defendant also contends that it
24 has compliant meal and rest break practices. Defendant further contends that not every pay period
25 at issue involved an alleged Labor Code violation. Moreover, Defendant maintained that even if
26 the Court did award PAGA civil penalties, the Court could and would *substantially* reduce the
27 penalties awarded based on the discretionary factors contained in Labor Code § 2699(e)(2).
28

38. The reasonable damages and/or penalties that Class Members could expect to be awarded at trial are uncertain. Class certification is a tremendous risk, and my office believes that the risk entailed in losing a class certification motion is up to 50%, particularly as to the meal and rest break claims. All penalty claims alleged are wholly derivative of the unpaid wage claims, such that if Plaintiff does not prevail on those claims, she will not recover a penny of penalties (and these penalties represent a substantial portion of her damage model). Accordingly, when the costs and risks of non-certification and loss on the merits are considered, my office is of the opinion that the settlement reached is clearly a favorable one.

39. The table below shows the maximum potential recovery on each claim alleged by Plaintiff and the realistic recovery on each such claim, as gauged by my office, applying a 75% discount (representing a 50% discount for class certification risks and a 50% discount for the risk of a loss on the merits).

CLAIM	MAXIMUM POTENTIAL RECOVERY	REALISTIC RECOVERY
Unpaid Wages – Failure to Blend	\$4,713	\$1,178.25
Unpaid Wages – Off-the-Clock	\$91,752	\$22,938
Meal Breaks	\$370,116	\$92,529
Rest Breaks	\$813,823	\$203,455.75
Wage Statements	\$342,300	\$85,575
Waiting Time Penalties	\$693,458	\$173,364.50
PAGA Penalties – All Claims	\$3,751,700	\$250,625
TOTAL:	\$6,067,862	\$829,665.50

40. The settlement for each Class Member and Aggrieved Employee and the State of California is fair, reasonable and adequate, given the inherent risk of litigation, the risk relative to class certification and the costs of pursuing such litigation. The settlement shall finally resolve all claims alleged in the Actions.

Class Certification Requirements:

41. To date, no class has been certified. The Stipulation of Settlement contains a provision pursuant to which we stipulate to the Court's provisional certification of the approximately 307-member Settlement Class, but do so for purposes of this settlement only.

1 42. In this case, the Class Members are identifiable from Defendant's employment and
2 payroll records. Further, the Settlement Class is sufficiently numerous to warrant certification.
3 According to Defendant's records, the Class comprises approximately 307 members.

4 43. The Class Members' claims all stem from a common source: members of the
5 Settlement Class allege that Defendant violated the same Labor Code provisions in connection
6 with their employment in non-exempt positions. All members of the Class seek the same relief
7 under the same California laws (related to unpaid wages, unpaid meal and rest period premiums,
8 inaccurate or incomplete wage statements, failure to timely pay wages due upon separation, and
9 derivative claims). Under these circumstances, the commonality requirement is satisfied for
10 purposes of certifying the Settlement Class for settlement purposes.

11 44. In this case, named Plaintiff and proposed Class Representative Margarita Garcia is
12 a former non-exempt employee who worked for Defendant in the State of California during the
13 Class Period. She contends that Defendant failed to pay all wages, failed to provide meal and rest
14 periods, failed to comply with itemized employee wage statement provisions, and failed to timely
15 pay wages at the separation of employment, in violation of Labor Code §§ 201, 202, 226(a), 226.3,
16 226.7, 432.5, 510, 512, 558, 1194, 1198, 2698, and 2699, among other Labor Code provisions.
17 She has the same claims as those that the members of the Settlement Class would reasonably be
18 expected to bring based on the course of conduct alleged herein.

19 45. Plaintiff has also demonstrated that she will aggressively and competently assert the
20 interests of the proposed Settlement Class; she has taken an active role in the litigation and has no
21 apparent conflicts with other class members.

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

1 **Settlement of Claims Pursuant to Labor Code § 2699 et seq. (PAGA)**

2 46. Concurrently with the filing of this Motion, my office is transmitting the Settlement
3 Agreement (and these approval documents) to the LWDA, in compliance with Labor Code §
4 2699(1)(2). Evidence of submission is attached hereto as **Exhibit C**.

5 I declare, under penalty of perjury, under the laws of the State of California, that the
6 foregoing is true and correct. Executed on December 8, 2023 at Westlake Village, California.

7 
8 _____
DANIEL F. GAINES

EXHIBIT A

Adams v. Newell Rubbermaid, USDC – Central District of California (Los Angeles), Case No. EDCV 08-1499 JTM (CTx)

Adams v. Sam's West, Inc., San Bernardino County Superior Court, Case No. CIVDS1403987

Agredano v. GS Brothers, Inc., Los Angeles County Superior Court, Case No. BC445561

Allen v. Toms Sierra Company, Nevada County Superior Court, Case No. CU18-082823

Allen v. Valley Inventory Service, Inc., Solano County Superior Court, Case No. FCS034682

Alvarez v. Pilot Travel Centers, LLC, San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-4605

Alonzo v. Camblin Steel Service, Inc., Placer County Superior Court, Case No. SCV0034165

Amenhotep v. Google, Inc., Santa Clara County Superior Court, Case No. 17CV311528

Anaya v. Progressive Logistics Services, LLC, Riverside County Superior Court, Case No. RIC1308270

Andre v. Newell Rubbermaid, Inc., San Bernardino County Superior Court, Case No. CIVVS1200282

Anduha v. ABC Phones of North Carolina, Inc., Stanislaus County Superior Court, Case No. 2022729

Anslow v. Wellington Energy, Inc., USDC – Northern District of California (San Francisco), Case No. CV11-1596-JCS

Aranda, et al. v. Universal Lumpers of California, Inc., San Joaquin County Superior Court, Case No. STK-UOE-2017-7826

Armendariz v. Integrated Pain Management Medical Group, Inc., Kern County Superior Court, Case No. BCV-19-100267-SDS

Barrow, et al. v. Desmond Foods, L.P., Sacramento County Superior Court, Case No. 34-2015-00187227

Batmanghelich v. Sirius XM Radio Inc., USDC – Central District of California (Los Angeles), Case No. CV 09-9190 VBF (JCx)

Bosser v. Hooked on Solar, Yolo County Superior Court, Case No. CVCV-2016-876

Bourland v. Horizon Personnel Services, Inc., Sacramento County Superior Court, Case No. 34-2014-00161365-CU-OE-GDS

Bowen v. IMI Material Handling Logistics, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-0000192

Branson v. Mladen Buntich Construction, San Bernardino County Superior Court, Case No. CIVDS1609129

Brandt v. Sacramento Auto Insurance Center, Inc., San Joaquin County Superior Court, Case No. 39-2009-00202938-CU-OE-STK

Brown v. 22nd District Agricultural Association, United States District Court, Southern District of California, Case No. 15-cv-2578-DHB

Brown v. Sierra Central Credit Union, Sutter County Superior Court, Case No. CVCS18-0002161

Burgess v. Blue Cross and Blue Shield of South Carolina, San Joaquin County Superior Court, Case No. 39-2012-00277449-CU-BT-STK

Burgess v. Strategic Retail Solutions, LLC, Los Angeles County Superior Court, Case No. BC413791

Calhoun v. Celadon Trucking Services, Inc., USDC – Central District of California (Los Angeles), Case No. 5:16-cv-01351-PSG-FFM

Caporicci v. Owens & Minor Distribution, Inc., San Joaquin County Superior Court, Case No. 39-2013-00295662-CU-OE-STK

Carl v. Advanced Call Center Technologies, LLC, Sacramento County Superior Court, Case No. 34-2013-00148310

Carlisle, et al. v. Professional Technical Security Services, Inc., Case No. CGC18569791

Carrete v. Gamestop, Inc., Imperial County Superior Court, Case No. ECU08501

Carrillo v. Bimbo Bakeries, Inc., San Bernardino County Superior Court, Case No. CIVDS1606813

Caudillo v. Aegis Treatment Centers, LLC, Merced County Superior Court, Case No. 18CV-0744

Cerami v. Metlife, Inc., USDC – Central District of California (Orange County), Case No. 11-CV-00681-CJC (MLGx)

Charles v. Aaron's Inc., Los Angeles County Superior Court, Case No. BC431468

Charles v. Nursefinders, LLC, Imperial County Superior Court, Case No. ECU07422

Cheifer v. JetBlue Airways Corporation, Los Angeles County Superior Court, Case No. BC451887

Cheifer, et al. v. WHGM, Inc., Los Angeles County Superior Court, Case No. LC104900

Chong, et al. v. Crescent Northwoods Inn, Inc., Del Norte County Superior Court, Case No. CVUJ-2018-1133

Church v. GameStop, Inc., et. al., USDC – Central District of California (Los Angeles), Case No. 11-CV-00132-VAP-RZ

Clothier v. Spar Marketing Services, Inc., Alameda County Superior Court, Case No: RG12-639317

Coleman v. Wireless Lifestyle, Inc., USDC – Western District of Missouri, Case No. 4:12-cv-00855-ODS

Colombo-Beyeler, et al. v. Viking River Cruises, Inc., San Bernardino County Superior Court, Case No. CIVDS1611608

Conlee v. Clark Pacific Corporation, Yolo County Superior Court, Case No. CV14-1409

Contreras v. Osmose Utilities Services, Inc., San Bernardino County Superior Court, Case No. CIVDS1513998

Contreras v. West American Service Corporation, Kings County Superior Court, Case No. 14C0280

Corona v. Yosemite Meat & Locker Service, Inc., Stanislaus County Superior Court, Case No. 2006828

Cortellessa v. Dotnext, Inc., Alameda County Superior Court, Case No. RG09429971

County v. Ingram Mirco, Inc., San Bernardino Superior Court, Case No. CIVRS 1304445

Covarrubias, et al. v. Petersendean Builder Group, Inc., Kern County Superior Court, Case No. BCV-16-101122

Cowen, et al. v. Evergreen Alliance Golf Limited, L.P., d/b/a Arcis Golf, San Bernardino County Superior Court, Case No. CIVDS1719283

Cruz-Garcia v. Lemonade Restaurant Group, LLC, Los Angeles County Superior Court, Case No. BC478205

Cunningham v. Performance Contracting, Inc., Contra Costa County Superior Court, Case No. C16-02157

Dabney v. Coneybeare, LLC, et al., Orange County Superior Court, Case No. 30-2018-00999989-CU-OE-CXC

Dabney, et al. v. Panera, LLC., San Bernardino County Superior Court, Case No. CIVDS1516030

Diaz, et al. v. Seaworld Entertainment, Inc., Imperial County Superior Court, Case No. ECU10046

Diggs v. Western Waterproofing Company, Inc., San Francisco County Superior Court, Case No. CGC-14-539281

Dismuke v. Rhodes Retail Services, Inc., Sacramento County Superior Court, Case No. 34-2011-00105001

Dorsette v. TA Operating, LLC, USDC – Central District of California (Los Angeles), Case No. EDCV 09-1350 PA (RZx)

Duran v. The Image of California, Inc., Kern County Superior Court, Case No. S-1500-CV-284056 DRL

Edwards v. Trans World Entertainment Corp., San Diego County Superior Court, Case No. 37-2010-00095123-CU-OE CTL

Esakhani v. Central Valley Gaming, Stanislaus County Superior Court, Case No. 2020667

Escobar v. SMSSI of California, Inc., San Francisco Superior Court, JCCP No. 4776

Espinosa v. Taltech Construction, et al., Los Angeles County Superior Court, Case No. BC590176

Espinosa v. Bodycote Thermal Processing, Inc., Los Angeles County Superior Court, Case No. BC501617

Espinoza v. Pabco Building Products, LLC, Los Angeles County Superior Court, Case No. VC065660

Estrada v. Net Source Communications, Inc., Los Angeles County Superior Court, Case No. BC431169

Estrada v. OS Restaurant Services, LLC, Santa Clara County Superior Court, Case No. 16CV293249

Estupinan v. Global Development Strategies, Inc., Santa Clara County Superior Court, Case No. 110CV178898

Fadhl. v. Siemens Healthcare Diagnostics Inc., Sacramento County Superior Court, Case No. 34-2017-00209518

Fernandez v. The Regents of the University of California, Los Angeles County Superior Court, Case No. BC656256

Ferrer v. Dish Network Corporation, Los Angeles County Superior Court, Case No. BC441354

Findora v. Barry Callebaut USA LLC, Napa County Superior Court, Case No. 19CV000219

Flores v. Cintas Corporation, Los Angeles County Superior Court, Case No. BC400422

Friel v. Midwest Construction Services, Inc., San Joaquin County Superior Court, Case No. 39-2015-00329204-CU-OE-STK

Gagnon v. Banc of California, Contra Costa County Superior Court, Case No. C 15-00196

Galarza v. Bayou Well Services, LLC, Kern County Superior Court, Case No. S-1500-CV-279372 DRL

Galarza v. C & H Testing Service LLC, Kern County Superior Court, Case No. BCV-15-100008 SPC

Garcia v. Old Dominion Freight Line, Inc., San Bernardino County Superior Court, Case No. CIVDS1404636

Geer v. Applied Aerospace Structures Corp., San Joaquin County Superior Court, Case No. 39-2014-00313702-CU-OE-STK

Getz v. California Cinema Investments, Inc., Ventura County Superior Court, Case No. 56-2013-00437706-CU-MC-VTA

Gibbs v. M. Lehmann Enterprises, Orange County Superior Court, Case No. 30-2013-00678538-CU-OE-CXC

Gilles v. Schaefer Ambulance Service Inc., Imperial County Superior Court, Case No. ECU07970

Goldman, et al. v. Defender's, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-0009973

Gomez v. Low Desert Empire Pizza, Inc., San Bernardino County Superior Court, Case No. CIVVS900392

Gomez v. Pizza Hut of Southeast Kansas, Inc., San Bernardino County Superior Court, Case No. CIVVS900679

Gonzalez v. Harris Farms, Inc., USDC – Eastern District of California (Fresno), Case No. 1:14-cv-00038-LJO-SAB

Guerrero v. Main Electric Supply Company LLC, Ventura County Superior Court, Case No. 56-2019-00525427-CU-OE-VTA

Gutierrez v. Asset Management Specialists, Inc., Fresno County Superior Court, Case No. 12CECG03577

Gutierrez v. Linkus Enterprises, Inc., Madera County Superior Court, Case No. MCV065774

Gutierrez v. Shiekh, LLC, San Bernardino County Superior Court, Case Nos. CIVRS1206525, CIVRS1303408

Hairston v. Stanislaus Surgical Hospital, Stanislaus County Superior Court, Case No. CV-19-000651

Hindman v. Service Quick, Inc., San Bernardino County Superior Court, Case No. CIVDS1724229

Hogan v. iMobile of CA LLC, San Bernardino County Superior Court, Case No. CIVDS1409263

Hogan v. Wireless Evolution Inc., Riverside County Superior Court, Case No. MCC1300669

Hogan v. Wireless That's It! LLC, Riverside County Superior Court, Case No. RIC1201997

Holmes v. Bottling Group, LLC, Stanislaus County Superior Court, Case No. 2022584

Hooper, et al. v. URS Midwest, Inc., et al., San Bernardino Superior Court, Case No. CIVDS1607489

Humphrey v. Freedomroads, LLC, Shasta County Superior Court, Case No. 178228

Hurtado v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC427672

Hyde v. Dent Wizard International Corporation, Sacramento County Superior Court, Case No. 34-2015-00173882

Ibrihim v. Imperfect Foods, Inc., San Joaquin County Superior Court, Case No. STK-VI-UOE-2019-0000846

Id-deen v. Educational Services of America, Solano County Superior Court, Case No. FCS040803

Isherwood v. Mason Dixon Intermodal, Inc., San Joaquin County Superior Court, Case No. 39-2012-00279891-CU-OC-STK

Jahanbin v. Pacific Mercantile Bank, Orange County Superior Court, Case No. 30-2011-00480705CU-OE-CXC

Jenkins v. Sedgwick Claims Management Services, Inc., Los Angeles Superior Court, Case No. LC101648

Job v. California Security Services, Yuba County Superior Court, Case No. 14-0000820

Johnson v. The Goodyear Tire & Rubber Company, USDC – Northern District of California (San Francisco), Case No. 3:13-cv-01069-MMC

Jolin v. Bay Cities Recovery, Inc., El Dorado County Superior Court, Case No. PC20100458

Jordan v. Sutter Memorial Hospital, Stanislaus County Superior Court, Case No. 2023344

Keebaugh v. Mike Thompson Recreational Vehicles, San Bernardino County Superior Court, Case No. CIV-DS-1500718

Kelly v. Robin's Enviro Vac, Inc., Kern County Superior Court, Case No. S-1500-CV-282277
DRL

King v. Levy Premium Foodservice Limited Partnership, Alameda County Superior Court, Case No. HG15786353

Kunsman v. Punch Bowl Sacramento, LLC, et al., Sacramento County Superior Court, Case No. 34-2018-00243175

LaFear v. Encore Education Corporation, San Bernardino County Superior Court, Case No. CIVDS1802251

Lanzarin v. AWI Management Corporation, Solano County Superior Court, Case No. FCS041809

Lee, et al. v. Foster Dairy Farms, Stanislaus County Superior Court, Case Nos. 2006542, 2015679

Lemus, et al. v. Eastridge Workforce Technology, Inc., San Bernardino County Superior Court, Case No. CIV-DS-1611470

Lewis v. American Casino & Entertainment Properties LLC, San Bernardino County Superior Court, Case No. CIVDS1719094

Lemus v. On Assignment Staffing Services, San Bernardino County Superior Court, Case No. CIV-DS-1600497

Leon v. Piercey West Inc., Los Angeles County Superior Court, Case No. BC656874

Lopez v. Creative Communication Technologies, Inc., Imperial County Superior Court, Case No. ECU07851

Lopez v. Go Green Auto Spa Franchise, Inc., et al., Los Angeles County Superior Court, Case No. BC 562212

Lopez v. Truck Accessories Group, LLC, Yolo County Superior Court, Case No. CV13798

Ludlow v. Prince Telecom, LLC, Stanislaus County Superior Court, Case No. 684239

Luna v. Express Locations, LLC, Imperial County Superior Court, Case No. ECU09779

Macias v. American Tire Distributors, Inc., Kern County Superior Court, Case No. BCV-18-101586

Maldonado v. Hardwood Flooring Liquidators, Inc., Los Angeles County Superior Court, Case No. BC642170

Mansfield v. Cambridge Real Estate Services, Inc., Butte County Superior Court, Case No. 160175

Martinez v. DPI Specialty Foods West, San Joaquin County Superior Court, Case No. 39-2015-00327311-CU-OE-STK

Martinez v. Styles For Less, Inc., San Bernardino County Superior Court, Case No. CIVVS1203057

Mayne v. John Muir Behavioral Health, Contra Costa County Superior Court, Case No. C17-00998

Maze v. Bulldog Freightway, Inc., Imperial County Superior Court, Case No. ECU08716

McCormick v. G & O Body Shop, Inc., El Dorado Superior Court, Case No. PC20130291

McCrary v. Campbell Soup Supply Company, San Joaquin County Superior Court, Case No. 39-2013-00297698-CU-OE-STK

McDaniel v. Vancary, Inc., Tulare County Superior Court, Case No. 268036

Melgar-Farela v. Guardian Compliance, Inc., Los Angeles County Superior Court, Case No. BC481865

Mendiola v. Tyco Electronics Corporation, Riverside County Superior Court, Case No. RIC1400721

Mettler v. Les Schwab Tire Centers of California, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-476

Miller v. California Subshine, Inc., Los Angeles County Superior Court, Case No. BC637754

Miller v. Southwest Airlines Co., USDC – Northern District of California (San Francisco), Case No. 3:12-cv-05978-CRB

Mitchell v. Crossmark, Inc., USDC – Central District of California (Los Angeles), Case No. CV 11-2818-JAK (FMOx)

Moghrabi v. Vitaligent, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-1650

Molina v. Berkshire Hathaway Energy Company, et al., Imperial County Superior Court, Case No. ECU000522

Moore v. Horizon Solar Power, Inc., San Bernardino County Superior Court, Case No. CIVDS1410001

Murray v. Select Media Services, LLC, Los Angeles County Superior Court, Case No. BC424506

Myles v. Central Transport LLC, San Bernardino County Superior Court, Case No. CIVDS1401434

Navarro v. Mariana Packing Co., Inc., Solano County Superior Court, Case No. FCS045935

Nehrlich, et al. v. RPM Mortgage, Inc., Orange County Superior Court, Case No. 30-2013-00666783-CU-OE-CXC

Overton v. Hat World, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:11-CV-01645-LKK-KJN

Perez v. Alcatel-Lucent USA Inc., Imperial County Superior Court, Case No. ECU07977

Perez v. Major Gloves and Safety, Inc., San Bernardino County Superior Court, Case No. CIVDS1710445

Perry v. Cardinal Health 200, LLC, Solano County Superior Court, Case No. FCS035303

Phraxayavong-Briones v. RSM, Inc., Sacramento County Superior Court, Case No. 34-2012-00117524

Pugh v. Wi Spa, LLC, Imperial County Superior Court, Case No. ECU07932

Quist v. Knight Transportation, Inc., San Bernardino Superior Court, Case No. CIVDS 1615414

Quitco v. Aviation Fuel Systems Repair, Inc., San Bernardino Superior Court, Case No. CIVRS1302311

Rambeau v. C.C.M. Corporation, et al., Sacramento County Court, Case No. 34-2018-00244842

Rankins v. Roman Empire Living Skills, Inc., Los Angeles County Superior Court, Case No. BC713399

Rees v. Advantel, Incorporated, Santa Clara County Superior Court, Case No. 16-CV-292219

Renfrow v. Janra Enterprises, Inc., Sacramento County Superior Court, Case No. 3402010-00080471

Reynolds v. Diamond Pet Food Processors of Ripon, San Joaquin County Superior Court, Case No. 39-2014-00310818

Richard v. A-Para Transit Corp., Alameda County Superior Court, Case No. HG17870373

Richardson v. TEC Equipment, Inc., et al., Los Angeles County Superior Court, Case No. VC065536

Robles v. North County Health Project Incorporated, San Diego Superior Court, Case No. 37-2014-00001751-CU-OE-NC

Rodas v. Monetary Management of California, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:14 cv 01389 TLN AC

Rodriguez v. 20/20 Plumbing & Heating, Inc., San Bernardino County Superior Court, Case No. CIVDS1705362

Rodriguez v. Commerce Distribution Company, Los Angeles County Superior Court, Case No. BC656259

Rodriguez v. Valley Oak, San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-7980

Roden v. Service Champions, San Bernardino County Superior Court, Case No. CIVDS1613183

Russell v. Bradshaw International, Imperial County Superior Court, Case No. ECU00853

Rutledge, et al. v. Healthport Technologies, LLC, Alameda County Superior Court, Case No. RG16835813

Sabala v. Econtactlive, Inc., Stanislaus County Superior Court, Case No. 684981

Sabatier v. Picture Perfect Installation, Inc., Riverside County Superior Court, Case No. RIC10004953

Salameh v. Sonomaidence OPCO, LLC, Sonoma County Superior Court, Case No. SVC264228

Salazar v. Tag-3 Medical Investment Group, LLC, Los Angeles County Superior Court, Case No. BC527698

Salbeck v. Ingredion Incorporated, San Joaquin County Superior Court, Case No. STK-UOE-2017-0012622

Sampson v. Healthnet of California Inc., Sacramento County Superior Court, Case No. 34-2015-00183785-CU-OE-GDS

Sanchez v. Don Roberto Jewelers, Inc., Imperial County Superior Court, Case No. ECU06819

Sanders v. Lionakis, Sacramento County Superior Court, Case No. 34-2017-00223601

Santana v. United Staffing Associates, LLC, Tulare County Superior Court, Case No. 249338

Schrader v. Adidas Promotional Retail Operations, Inc., Los Angeles County Superior Court, Case No. BC414168

Sebrell v. Pomeroy IT Solutions, San Bernardino County Superior Court, Case No. CIVDS1721560

Seymour v. Quest Service Group, LLC, Sacramento County Superior Court, Case No. 34-2017-00206917

Silva v. Trical, San Benito County Superior Court, Case No. CU-16-00218

Simler v. Polly's Inc., Riverside County Superior Court, Case No. RIC 1117862

Sipin, Scott v. Salesforce.com, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2019-0004629

Skuro v. BMW of North America, LLC, USDC – Central District of California (Los Angeles), Case No.: CV 10-8672-GW (FFMx)

Smith v. Steelcase, Inc., San Bernardino County Superior Court, Case No. CIVDS1725850

Sohal v. Foster Poultry Farms, Stanislaus County Superior Court, Case No. 2026605

Solomon v. City of Los Angeles, Los Angeles County Superior Court, Case No. BC570345

Solano v. Vozzcom, Inc., Imperial County Superior Court, Case No. ECU09519

Smith, et al. v. Sente Development, Inc., Sacramento County Superior Court, Case No. 34-2016-00196614

Solorzano v. FDS Manufacturing Corporation, Los Angeles County Superior Court, Case No. BC542532

Solowitz v. BakeMark USA LLC, Los Angeles County Superior Court, Case No. BC467838

Spampinato v. Wind & Sea Restaurants, Inc., San Bernardino County Superior Court, Case No. CIVVS1205154

Spitzer, et al. v. FRHI Hotels & Resorts (Canada) Inc., San Bernardino County Superior Court, Case No. C IVDS1712220

Stephens v. C.S., Inc., Riverside County Superior Court, Case No. PSC1301224

Stevenson v. Harvest Management Sub LLC, Ventura County Superior Court, Case No. 56-2011-00397420-CU-OE-SIM

Thompson v. Continental Labor Resources, Inc. d/b/a Continental Labor & Staffing Resources, Kern County Superior Court, Case No. S-1500-CV-278751-DRL

Thompson v. Sidhu Truck Line, Inc., Kern County Superior Court, Case No. BCV-15-101308-DRL

Tigas v. Ajilon Communications, Los Angeles County Superior Court, Case No. BC409737

Torres v. Coastal Employment Inc., Los Angeles County Superior Court, Case No. BC529207

Tran v. CSP Fiber Services, San Bernardino County Superior Court, Case No. CIVDS172758

Tripp v. California Guest Services, Inc., Plumas County Superior Court, Case No. CV16-00036

Valdez v. Diamond Landscaping, Inc., Los Angeles County Superior Court, Case No. BC497097

Valencia v. American Team Managers, Inc., Orange County Superior Court, Case No. 30-2016-00857365-CU-CR-CXC

Van Son v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC494747

Vasquez v. Schurman Fine Papers, San Joaquin County Superior Court, Case No. STK-CV-LMC-2015-10035

Velasquez v. Modesto Ventures, LLC, Sacramento County Superior Court, Case No. 32-2012-00126159

Victoria v. Bali Limousines Inc., San Mateo County Superior Court, Case No. CIV507774

Victorian v. Vision X, Inc., Los Angeles County Superior Court, Case No. BC400333

Wade v. Frito Lay, Kern County Superior Court, Case No. BCV-17-102014

Walls v. E. & J. Gallo, Stanislaus County Superior Court, Case No. 2015874

Warner v. Waterdrops Express Car Wash, LLC, Tulare County Superior Court, Case No. 265708

Waybright v. EAH, Inc., Stanislaus County Superior Court, Case No. 2011677

Weiss v. C.A.R. Enterprises, Inc., Riverside County Superior Court, Case No. RIC1113165

White v. Sally Beauty Supply, LLC, Imperial County Superior Court, Case No. ECU08177

Williams v. Dennis Dillon RV, LLC, San Bernardino County Superior Court, Case No. CIVDS 16006879

Williams v. Closet World, Inc., Los Angeles County Superior Court, Case No. BC400178

Williams v. Progress Rail Services Corporation, Kern County Superior Court, Case No. S-1500-CV-280236 DRL

Wing v. Three Group, Inc., Los Angeles County Superior Court, Case No. BC643883

Wilson v. ALSCO, Inc., Imperial County Superior Court, Case No. ECU07406

Wilson v. Michael C. Stead, Inc., Contra Costa Superior Court, Case No. C1400135

Winningham v. Storer Transportation Service, San Joaquin County Superior Court, Case No. 39-2015-00324708-CU-STK

Woody v. WBN Home Design, San Bernardino County Superior Court, Case No. CIVDS1613367

Woods, et al. v. F&B Innovations, LLC, San Bernardino County Superior Court, Case No. CIVDS1717765

Woodyard v. Bellus ALC Acquisition, LLC, USDC – Central District of California (Los Angeles), Case No. 2:13-cv-05285 SJO AGRx

Wright v. Social Vocational Services, Inc., Kern County Superior Court, Case No. BCV-15-101264

Ybarra v. New Legend, Inc., Sutter County Superior Court, Case No. CVCS-16-2097

Zaragoza v. Center Automotive, Inc., Los Angeles Superior Court, Case No. BC505194

EXHIBIT B

1 DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
2 ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
3 EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
4 **GAINES & GAINES, APLC**
4550 East Thousand Oaks Boulevard, Suite 100
5 Westlake Village, CA 91362
Telephone: (818) 703-8985
6 Facsimile: (818) 703-8984

7 Attorneys for Plaintiff Margarita Garcia, on behalf of herself and all “aggrieved employees”
8 pursuant to Labor Code § 2698 *et seq.*

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF RIVERSIDE**

11 MARGARITA GARCIA, on behalf of
12 herself and all “aggrieved employees”
pursuant to Labor Code § 2698 *et seq.*,

13 Plaintiff,

14 v.
15

16 GREENS OPERATIONS, INC., a
California corporation, GMPM
17 HOSPITALITY, LLC, a California limited
liability company, and DOES 1 through 10,
18 inclusive,

19 Defendants.
20
21
22
23
24
25
26
27
28

CLASS ACTION

CASE NO: CVBL2200087

Assigned to the Hon. Harold W. Hopp, Dept. 1

**FIRST AMENDED SETTLEMENT
AGREEMENT AND RELEASE OF CLAIMS**

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

2
3
4
5
6

7

8
9

10
11
12

13
14

15
16
17

18
19
20

21
22
23
24

25
26
27

1 8. The “Effective Date” is defined as the date the Court signs an order granting final
2 approval of the settlement and entering judgment thereon (the “Effective Date”) If objections to
3 the settlement are filed, the Effective Date of the settlement is the sixty-fifth (65th) day after notice
4 of the final approval order is mailed, unless an appeal is filed, in which case the Effective Date is
5 the day after (1) the settlement is upheld by the Court of Appeals, or (2) all appeals are dismissed.

6 **B. General.**

7 1. On March 28, 2022 and March 29, 2022, Plaintiff Garcia exhausted the pre-filing
8 requirements of the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

9 2. On June 14, 2022, Plaintiff Garcia initiated her Action in the Riverside County
10 Superior Court by filing a complaint, pursuant to PAGA, on behalf of herself and all other aggrieved
11 employees.

12 3. Thereafter, Plaintiff dismissed Defendant GMPM Hospitality, LLC from the
13 Action following an individual resolution of her claims.

14 4. On November 9, 2023, Plaintiff filed her First Amended Complaint. The Action
15 assert claims against Defendant for (1) failure to pay all minimum and overtime wages due (Labor
16 Code §§ 510, 1194, and 1194.2 and IWC Wage Order 5-2001); (2) failure to provide rest periods
17 or compensation in lieu thereof (Labor Code § 226.7 and IWC Wage Order 5-2001); (3) failure to
18 provide meal periods or compensation in lieu thereof (Labor Code §§ 226.7, 512, 1174, 1174.5,
19 and 1198 and IWC Wage Order 5-2001); (4) knowing and intentional failure to comply with
20 itemized employee wage statement provisions (Labor Code §§ 226(a) and (e)); (5) failure to
21 maintain and produce payroll records (Labor Code §§ 1174 and 1174.5); (6) failure to timely pay
22 wages due at the separation of employment (Labor Code §§ 201-203); (7) violation of Business
23 and Professions Code § 17200 for underlying violations of the Labor Code as set forth in the Action;
24 and (8) civil penalties pursuant to PAGA for underlying violations of the Labor Code as set forth
25 in the Action, including Labor Code § 432.5.

26 5. Defendant denies any liability or wrongdoing of any kind associated with the claims
27 alleged in the Action, and further denies that the Action are appropriate for class treatment for any
28 purpose other than this settlement. Defendant contends that it has complied at all times with the

1 California Labor Code. It is Defendant's position that, if this case were to be litigated, class
2 certification would be inappropriate because Plaintiff is not an adequate Class Representative,
3 Plaintiff's claims are not typical of putative class members, and individual issues predominate over
4 class issues, among other defenses. The Action, the negotiation and execution of this Settlement
5 Agreement, and all acts performed or documents executed pursuant to or in furtherance of this
6 Settlement Agreement (i) shall not be used as an admission, or as evidence of wrongdoing by the
7 Defendant, or for any other purpose whatsoever; (ii) shall not be an admission or evidence of fault
8 on behalf of Defendant in any action before a civil court, criminal court, administrative agency of
9 any type, or other tribunal; and (iii) shall not be deemed to be, and may not be used as, an admission
10 or evidence of the appropriateness of these or similar claims for class certification in the Action or
11 with respect to any other proceeding whatsoever.

12 6. The Class Representative contends that Defendant violated the California Labor
13 Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class
14 certification.

15 7. Class Counsel represent that they have conducted a thorough investigation into the
16 facts and law during the prosecution of this class action case, including the exchange of extensive
17 formal and informal discovery and the review and verification of statistical data and other facts and
18 information provided by Defendant. Counsel for the Parties also represent that they have
19 investigated the applicable law as applied to the facts discovered regarding the alleged claims of
20 Plaintiff and potential defenses thereto, and the damages and other losses claimed by Plaintiff.

21 8. On July 24, 2023, following their exchange of information and documents regarding
22 the Settlement Class and the claims and defenses asserted by the Parties, the Parties engaged in
23 arm's-length negotiations with the assistance of an experienced wage and hour mediator, Steve
24 Pearl, Esq., where the Parties were able to reach the resolution of the Action set forth herein.

25 9. Based on their own independent investigation and evaluation, Class Counsel are of
26 the opinion (and will so represent to the Court) that settlement for the consideration and on the
27 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
28 interest of the Settlement Class in light of all known facts and circumstances, including the risk of

1 significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses
2 asserted by Defendant. Defendant and its counsel also agree (and will so represent to the Court)
3 that this settlement is fair and in the best interest of the Settlement Class.

4 10. The Parties agree that the Settlement Class described herein may be certified for
5 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
6 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not
7 approved, the certification will have no force or effect and will immediately be revoked. The
8 Parties further agree that certification for purposes of the settlement is in no way an admission that
9 class certification is proper under the more stringent standard applied for litigation and that
10 evidence of this limited Settlement Agreement for settlement purposes only will not be admissible
11 for any purpose in this or any other proceeding.

12 **C. Terms of Settlement.**

13 1. The financial terms of the Settlement Agreement are as follows:

14 (a) **Gross Settlement Amount:** The Parties agree to settle the Action for a Gross
15 Settlement Amount of **One Million U.S. Dollars** (\$1,000,000) (“the Gross Settlement Amount”),
16 subject to any increase based on the escalator provision in paragraph H(16) herein. The Gross
17 Settlement Amount includes the attorneys’ fees of Class Counsel; litigation costs and expenses
18 (which includes, without limitation, all such fees and costs incurred to date, as well as such fees
19 and costs to be incurred in documenting the settlement, providing any notices required as part of
20 the settlement, securing Court approval of the settlement, and obtaining judgment in the Action);
21 the Service Payment to the Class Representative, as approved by the Court; the payment to the
22 California Labor and Workforce Development Agency (“LWDA”); and all costs of administration,
23 including, without limitation, settlement administration fees and expenses. All employer payroll
24 tax obligations due on wage payments made from the Net Settlement Proceeds shall be paid by
25 Defendant separately and apart from, and in addition to, the Gross Settlement Amount.

26 (b) **Net Settlement Proceeds:** “Net Settlement Proceeds” is defined as the
27 Gross Settlement Amount less the amounts approved and awarded by the Court for: attorneys’ fees
28 and documented litigation costs and expenses incurred or advanced by Class Counsel; the Service

1 Payment to the Class Representative; the payment to the LWDA pursuant to PAGA; and the costs
2 of administering the settlement.

3 (c) **Calculation of the Individual Payment Amounts:** "Individual Payment
4 Amount" means the portion of the Net Settlement Proceeds distributable to each Class Member
5 who participates in the Class Settlement (i.e., who does not submit a valid request for exclusion
6 form) and each Aggrieved Employee, whether they participate in the Class Settlement or not. As
7 to participating Class Members, the class portion of the Individual Payment Amount will be
8 determined by dividing the Net Settlement Proceeds, less the \$25,000 PAGA allocation, by the
9 total number of weeks worked by the entire Settlement Class during the Class Period, net of opt
10 outs, resulting in the class workweek value; and then multiplying the class workweek value by the
11 number of weeks worked by each participating Class Member during the Class Period. As to the
12 Aggrieved Employees, the PAGA portion of the Individual Payment Amount will be determined
13 by dividing the PAGA settlement amount (\$25,000) by the total number of weeks worked by all
14 Aggrieved Employees during the PAGA Period, resulting in the PAGA workweek value; and then
15 multiplying the PAGA workweek value by the number of weeks worked by each Aggrieved
16 Employee during the PAGA Period.

17 (d) For tax purposes, the class portion of each Individual Payment Amount will
18 be apportioned (a) 20% as wages (reported on an IRS Form W-2 and subject to applicable
19 withholdings); and (b) 80% equally as penalties and interest (reported on an IRS Form 1099, if
20 required). The PAGA portion of each Individual Payment Amount will be apportioned 100% as
21 penalties (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to
22 Class Members and Aggrieved Employees will be subject to any applicable wage garnishments,
23 liens, or other legally mandated treatment as required by law.

24 (e) **PAGA Payments:** The Parties agree that One Hundred Thousand Dollars
25 (\$100,000) shall be allocated to settle Plaintiff's claims brought pursuant to PAGA. Of this amount,
26 Seventy-Five percent (75%), or Seventy-Five Thousand Dollars (\$75,000), shall be paid to the
27 LWDA, and the remaining Twenty-Five percent (25%), or Twenty-Five Thousand Dollars
28 (\$25,000), shall be paid to Aggrieved Employees as part of the Net Settlement Proceeds.

1 (f) **Service Payment and General Release Payment to Class Representative:**

2 The amount awarded to the Class Representative as a “Service Payment” and in exchange for a
3 general release, as set forth in Paragraph D(2), below, will be set by the Court in its discretion, not
4 to exceed Fifteen Thousand Dollars (\$15,000). This amount will be deducted from the Gross
5 Settlement Amount. An IRS Form 1099 will be issued to the Class Representative for her Service
6 Payment. Defendant agrees not to dispute or otherwise object to the Service Payment if Plaintiff
7 requests \$15,000 or less.

8 (g) **Attorneys’ Fees:** An award to Class Counsel of attorneys’ fees will be
9 deducted from the Gross Settlement Amount in an amount to be set by the Court taking into account
10 the settlement award that has been made available for the Settlement Class by the efforts of Class
11 Counsel. The amount awarded shall not exceed 35% of the Gross Settlement Amount (i.e., Three
12 Hundred Fifty Thousand Dollars (\$350,000)). An IRS Form 1099 will be issued to Class Counsel
13 with respect to its award of attorneys’ fees. Defendant agrees not to dispute or otherwise object to
14 the attorneys’ fee award requested by Class Counsel so long as the request does not exceed 35% of
15 the Gross Settlement Amount.

16 (h) **Attorneys’ Costs and Expenses:** Class Counsel will be reimbursed from
17 the Gross Settlement Amount in an amount to be set by the Court for documented out-of-pocket
18 litigation costs and expenses, not to exceed Twenty Thousand Dollars (\$20,000). An IRS Form
19 1099 will be issued to Class Counsel with respect to its award of costs and expenses. Defendant
20 agrees not to dispute or otherwise object to the attorneys’ cost award requested by Class Counsel
21 so long as the request does not exceed \$20,000.

22 (i) **Settlement Administration Costs:** The fees and other charges of the
23 Settlement Administrator to administer the Settlement are expected to total no more than Twenty
24 Thousand Dollars (\$20,000.00) and will be paid from the Gross Settlement Amount. These fees
25 shall include any costs associated with the required tax reporting on any Individual Payment
26 Amounts, and the issuing of any and all W-2 and 1099 forms. Subject to approval of the Court, the
27 Parties have agreed that Phoenix Settlement Administrator will serve as a neutral third-party
28 claims’ administrator (“Settlement Administrator”) to perform all acts related to providing notice

1 to the Settlement Class. Settlement Administrator shall be responsible for (a) printing and
2 distributing the Court-approved Notice of Class Action Settlement (“Class Notice”) to all Class
3 Members; (b) administering the settlement; (c) processing exclusions, objections, and field
4 inquiries from Class Members; (d) resolving disputes; (e) calculating the Individual Payment
5 Amount each Participating Class Members is eligible to receive; (f) distributing the Gross
6 Settlement Amount as directed by the Court and set forth herein; (g) tax reporting; (h) providing
7 necessary weekly status reports; and (i) other duties and responsibilities set forth herein.

8 (j) **No Warranty by Defendant:** Plaintiff understands and agrees that
9 Defendant is not providing Plaintiff or Class Members with tax or legal advice and that Defendant
10 makes no representations regarding tax obligations or consequences, if any, related to this
11 Settlement Agreement.

12 **D. Release of Claims.**

13 1. Upon the Effective Date, and subject to Defendant’s full payment of the Gross
14 Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Settlement
15 Class Members who do not timely opt-out of the Settlement will be deemed to have fully released
16 and discharged Defendant Greens Operations, Inc., and its present and former officers, directors,
17 employees, and agents (“Released Parties”) from any and all Released Class Claims which arose
18 during their employment in a non-exempt position in California during the Class Period.

19 2. Upon the Effective Date, and subject to Defendant’s full payment of the Gross
20 Settlement Amount and all associated employer payroll tax obligations, Plaintiff and the State of
21 California will be deemed to have fully released and discharged the Released Parties from any and
22 all Released PAGA Claims which arose during the PAGA Period.

23 3. “Released Class Claims” means any and all claims and/or causes of action which
24 accrued during the Class Period during employment in a non-exempt position in California, that
25 are alleged, or that could have been alleged in the Action based on the facts set forth in the First
26 Amended Complaint in the Action (which includes direct class action claims under Labor Code
27 §§ 201-203, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, and 1198 and under Business &

1 Professions Code section 17200 *et seq.* predicated on the underlying Labor Code claims alleged).
2 No PAGA claims are encompassed in the Released Class Claims.

3 4. “Released PAGA Claims” means any and all PAGA claims and/or causes of action
4 which accrued during the PAGA Period, that are alleged in Plaintiff’s March 29, 2022 pre-filing
5 letter to the LWDA, attached hereto as **Exhibit 4**. The Released PAGA Claims do not include any
6 Aggrieved Employee’s claim for wages or damages. No Aggrieved Employee may opt out of the
7 PAGA portion of the Settlement.

8 5. Upon the Effective Date, and subject to Defendant’s full payment of the Gross
9 Settlement Amount and all associated employer payroll tax obligations, Plaintiff Garcia shall be
10 deemed to have fully, finally, and forever released the Released Parties from any and all claims,
11 obligations, demands, Action, rights, causes of action, and liabilities against the Released Parties,
12 of whatever kind and nature, character, and description, whether in law or equity, whether
13 sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common
14 law, or other source of law, whether known or unknown, and whether anticipated or unanticipated,
15 including unknown claims covered by Civil Code Section 1542, arising through the date of her
16 signature hereon, for any type of relief, including, without limitation, claims for wages, damages,
17 unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation
18 costs, restitution, or equitable relief. These claims include, but are not limited to, the Released
19 Class Claims and Released PAGA Claims, as well as any other claims under any provision of the
20 California Labor Code or any applicable California Industrial Welfare Commission Wage Orders,
21 and claims under local, state, or federal discrimination statutes, including, without limitation, the
22 California Fair Employment and Housing Act, California Government Code §§ 12940 *et seq.*; the
23 Unruh Civil Rights Act, California Civil Code §§ 51 *et seq.*; the California Constitution; Title VII
24 of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000 *et seq.*; the Americans with Disabilities Act,
25 42 U.S.C. §§ 12101 *et seq.*; the Employee Retirement Income Security Act of 1974, 29 U.S.C.
26 §§ 1001 *et seq.*; and all of their implementing regulations and interpretive guidelines. With respect
27 to these Released Claims as described in this Section, Plaintiff Garcia shall be deemed to have
28 expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights,

1 and benefits she may otherwise have had pursuant to Section 1542 of the California Civil Code,
2 which provides as follows:

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

7 Notwithstanding Section 1542, Plaintiff understands and agrees that this Agreement shall
8 act as a release of all future claims that may arise from Plaintiff Garcia's employment or separation
9 from employment with Defendant, or any other matters that existed between Plaintiff Garcia and
10 the Released Parties up to the date of this Agreement, whether such claims are currently known or
11 unknown, and that Plaintiff intentionally waives any rights she may have under the provisions of
12 Section 1542, as well as under any other statutes or common law principles of similar effect in the
13 State of California or in any other state.

14 **E. Notice and Exclusion Process.**

15 1. Within ten (10) calendar days after entry of the order granting preliminary approval
16 of this Settlement, Defendant shall provide to the Settlement Administrator a list of all Class
17 Members and Aggrieved Employees, including their last known addresses, telephone numbers,
18 social security numbers, and their dates of employment in a non-exempt position in California
19 during the Class Period (for Class Members) and the PAGA Period (for Aggrieved Employees)
20 ("Settlement Class Information"). The names, addresses, telephone numbers, and Social Security
21 numbers will only be disclosed to the Settlement Administrator and not to Plaintiff Counsel. All
22 information provided to the Settlement Administrator will be marked CONFIDENTIAL. This
23 information shall be kept confidential and shall not be disclosed, either in writing or orally, by the
24 Settlement Administrator. The Settlement Administrator shall use due care with respect to the
25 storage, custody, use, and/or dissemination of the confidential information. Such information must
26 be stored in a secure fashion and all persons who access the data must agree to keep it confidential.

27 2. A notice of pendency of class action, proposed settlement, and hearing date for
28 Court approval ("Class Notice") in the form attached hereto as **Exhibit 1**, and as approved by the
Court, shall be sent by the Settlement Administrator to the Class Members and Aggrieved

1 Employees, by first class mail, within twenty (20) calendar days after entry of the order granting
2 preliminary approval. Attached to the Class Notice will be a request for exclusion form ("Request
3 for Exclusion Form") in the form attached hereto as **Exhibit 2** and an objection form ("Objection
4 Form") in the form attached hereto as **Exhibit 3**.

5 3. The Settlement Administrator will make reasonable efforts to ensure that the Class
6 Notice and Request for Exclusion Form are sent to all Class Members and Aggrieved Employees.
7 It will conclusively be presumed that if an envelope has not been returned within thirty (30) days
8 of the mailing that the Class Member or Aggrieved Employee received the Class Notice. In the
9 event of returned or non-deliverable notices, the Settlement Administrator will make reasonable
10 efforts to locate Class Members and Aggrieved Employees and re-send the notices.

11 4. Each Class Member will be fully advised of the settlement, the ability to object to
12 the settlement, and the ability to submit a Request for Exclusion Form. The Class Notice will
13 inform the Class Members of the Court-established deadlines for filing an Objection Form and a
14 Request for Exclusion Form. Aggrieved Employees may neither object to, nor exclude themselves
15 from, the PAGA portion of the settlement.

16 5. Each Class Notice will contain personalized information setting forth the number of
17 weeks each Class Member and Aggrieved Employee worked for Defendant in California in a non-
18 exempt position during the Class Period and their estimated Individual Payment Amount. To the
19 extent a Class Member or Aggrieved Employee disputes any of the information listed on his or her
20 Class Notice, he or she may produce evidence to the Settlement Administrator showing such
21 information the individual contends should be reflected in the Class Notice. Defendant's records
22 will be presumed determinative, however, and the Settlement Administrator's decision on these
23 matters will be final. The Class Notice will also set forth IRS W-9 information if required.

24 6. All Class Members who do not submit a Request for Exclusion Form will be eligible
25 to receive an Individual Payment Amount and all Aggrieved Employees will be eligible to receive
26 a share of the PAGA allocation from the Net Settlement Proceeds, which shall be mailed to them
27 if and when the Effective Date occurs.

1 7. In order to elect not to participate in the Settlement, a Class Member must submit a
2 Request for Exclusion Form, and mail it to the Settlement Administrator no later than forty-five
3 (45) calendar days after the initial mailing of the Class Notice and Request for Exclusion Form to
4 Class Members, unless the Court requires a longer period, in which case the Court ordered
5 exclusion period will apply. The date of the postmark shall be deemed the date of submission. The
6 timeliness of submitted Request for Exclusion Forms will be determined by valid postmark. If the
7 45th day falls on a Sunday or federal holiday, the time to request exclusion will be extended to the
8 next day on which the U.S. Postal Service is open.

9 8. The deadline for submission of Exclusion Forms shall be extended once by 30 days
10 for those Class Members whose Class Notice and Exclusion Form are returned as “undeliverable.”
11 If the 30th day falls on a Sunday or federal holiday, this deadline will be extended to the next day
12 on which the U.S. Postal Service is open.

13 9. The Settlement Administrator will search for additional addresses on returned mail
14 and will re-mail the Class Notice and Exclusion Form to an updated address (if any) within 15 days
15 of receipt of the returned mail. The 30-day extended time limit will run from the date of the second
16 mailing for those Class Members. To the extent a Class Notice from the initial mailing is not
17 returned within 30 days, it shall be deemed to have been sent to a valid address even if it is thereafter
18 returned. It is the intent of the Parties that reasonable, but not extraordinary, efforts be used to
19 locate Class Members. If the initial Class Notice and Request for Exclusion Form is returned, the
20 Settlement Administrator will search using the social security number for a more current address.
21 If no address is found within 10 days, no further action is required.

22 10. The Settlement Administrator will notify the Parties of the total number of valid
23 Request for Exclusion Forms within ten (10) calendar days after the deadline for receipt of the
24 Request for Exclusion Forms (fifty-five (55) days following the initial mailing of the Class Notice
25 and Request for Exclusion Forms to Class Members and Aggrieved Employees).

26 11. In order to object to the settlement, a Class Member may mail his or her Objection
27 Form to the Settlement Administrator no later than forty-five (45) calendar days after the mailing
28 of the Class Notice and Request for Exclusion Form to Class Members, unless the Court requires a

longer period, in which case the Court ordered objection period will apply. If the 45th day falls on a Sunday or federal holiday, the time to object to the settlement will be extended to the next day on which the U.S. Postal Service is open. Class Members may also appear at the Final Approval Hearing to object to the settlement, either in person or through an attorney at their own expense.

12. The Settlement Administrator shall provide to the Parties, at least twelve (12) calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a declaration of due diligence and proof of mailing with regard to the mailing of the Class Notice and Request for Exclusion Forms. The Settlement Administrator will also provide to the Parties, at least twelve (12) calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a report listing the amount of all payments to be made to each Class Member without names or personal identifying information.

13. Defendant shall deposit the Gross Settlement Amount and all employer payroll tax obligations with the Settlement Administrator no later than sixty (60) calendar days after the Court enters an order granting final approval of the Settlement. No funds shall be disbursed from the Qualified Settlement Fund prior to the occurrence of the Effective Date.

14. The Settlement Administrator shall disburse the Gross Settlement Amount within fifteen (15) calendar days after its receipt thereof, subject to the prior occurrence of the Effective Date. Class Members and Aggrieved Employees must cash each of their Individual Payment Amount checks within one hundred eighty (180) calendar days after they are mailed by the Settlement Administrator. The value of any checks uncashed more than one hundred eighty (180) days after mailing shall be redistributed to those Class Members who have cashed their checks, proportionately based on the value of their first Settlement payment.

F. Duties of the Parties Prior to Court Approval.

1. Promptly after execution of this Settlement Agreement, Plaintiff shall move the Court for preliminary approval of this settlement and entry of an order accomplishing the following:

1 (a) scheduling a fairness hearing on the question of whether the proposed
2 settlement should be finally approved as fair, reasonable and adequate as to the Class Members
3 and Aggrieved Employees;

4 (b) approving as to form and content the proposed Class Notice;

5 (c) approving as to form and content the proposed Request for Exclusion
6 Form;

7 (d) preliminarily certifying the Settlement Class for purposes of approving
8 the Settlement Agreement;

9 (e) preliminarily approving the PAGA payment of \$75,000 to the LWDA;

10 (f) preliminarily setting attorneys' fees and costs payable to Class Counsel;

11 (g) preliminarily setting the Service Payment to the Class Representative;

12 (h) preliminarily approving Phoenix Settlement Administration as the
13 Settlement Administrator and its estimated fees and costs of \$20,000; and

14 (i) permitting Plaintiff to file the First Amended Complaint.

15 2. The Parties shall submit this Settlement Agreement to the Court and the LWDA
16 in support of Plaintiff's unopposed motion for preliminary approval of the settlement.

17 **G. Duties of the Parties in Connection with and Following Final Court Approval.**

18 1. In connection with the hearing on final approval of the settlement, the Parties will
19 submit a proposed final order no later than ten (10) calendar days prior to the scheduled date of
20 the hearing on final approval (unless otherwise ordered by the Court):

21 (a) approving the settlement, adjudging the terms thereof to be fair, reasonable
22 and adequate, and directing consummation of its terms and provisions;

23 (b) approving Class Counsel's application for an award of attorneys' fees and
24 reimbursement of documented litigation costs and expenses, the Service Payment to the Class
25 Representative, the PAGA Payment to the LWDA, and the costs of administering the settlement;
26 and

27 (c) Entering judgment in the Action in accordance with this Settlement
28 Agreement, pursuant to Cal. Rules of Court, Rule 3.769(h).

2. Class Counsel shall file an application for attorneys' fees and reimbursement of costs and expenses no later than ten (10) calendar days prior to the scheduled date of the hearing on final approval (unless otherwise ordered by the Court).

H. Miscellaneous Provisions:

1. Voiding the Agreement.

A failure of the Court to approve any material condition of this Settlement Agreement which effects "a fundamental change of the Parties' settlement," or if the settlement is reversed or materially modified on appellate review, shall render the entire Settlement Agreement voidable and unenforceable as to all Parties herein at the option of any Party.

2. Parties' Authority.

The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

3. 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 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 herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's preliminary and final approval of the settlement.

4. No Prior Assignments.

The Parties hereto 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.

///

1 **5. No Admission.**

2 Nothing contained herein, nor the consummation of this Settlement Agreement, is to be
3 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
4 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
5 Settlement Agreement with the intention of avoiding further disputes and litigation with the
6 attendant inconvenience and expenses. This Settlement Agreement is a settlement document and
7 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408
8 and/or any other similar law, be inadmissible in evidence in any proceeding, except an action or
9 proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

10 **6. Construction.**

11 The Parties hereto agree that the terms and conditions of this Settlement Agreement are the
12 result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement
13 Agreement shall not be construed in favor of or against any Party by reason of the extent to which
14 any Party or her or its counsel participated in the drafting of this Settlement Agreement.

15 **7. Captions and Interpretations.**

16 Paragraph titles or captions contained herein are inserted as a matter of convenience and for
17 reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement
18 or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a
19 recital.

20 **8. Modification.**

21 This Settlement Agreement may not be changed, altered, or modified, except in writing and
22 signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be
23 discharged except by performance in accordance with its terms or by a writing signed by each of
24 the Parties hereto on their attorneys.

25 **9. Integration Clause.**

26 This Settlement Agreement contains the entire agreement between the Parties relating to
27 the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
28 understandings, representations, and statements, whether oral or written and whether by a Party or

1 such Party's legal counsel, are merged herein. No rights hereunder may be waived except in
2 writing.

3 **10. Binding on Assigns.**

4 This Settlement Agreement shall be binding upon and inure to the benefit of the Parties
5 hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

6 **11. Governing Law.**

7 All terms of this Settlement Agreement and its exhibits shall be governed by and interpreted
8 according to the laws of the State of California, without giving effect to any conflict of law
9 principles or choice of law principles.

10 **12. Signatures of All Class Members Unnecessary to be Binding.**

11 It is agreed that, because the members of the Settlement Class are numerous, it is impossible
12 or impractical to have each Class Member execute this Settlement Agreement. The Class Notice,
13 attached hereto as Exhibit 1, will advise all Class Members of the binding nature of the release
14 provided herein and such shall have the same force and effect as if this Settlement Agreement was
15 executed by each Class Member.

16 **13. Counterparts.**

17 This Settlement Agreement may be executed in counterparts, and when each Party has
18 signed and delivered at least one such counterpart, each counterpart shall be deemed an original,
19 and when taken together with other signed counterparts, shall constitute one fully-signed Settlement
20 Agreement, which shall be binding upon and effective as to all Parties.

21 **14. Confidentiality**

22 Until Plaintiff files her motion for preliminary approval of the class action settlement of the
23 Action, the Parties and their Counsel agree to maintain confidentiality as to the Settlement,
24 including the amount and terms of the Settlement, except as to spouses, children, parents, tax or
25 financial advisors, attorneys, taxing agencies, or as otherwise required by law.

26 **15. No Publicity**

27 Plaintiff and her Counsel will not contact the media about the Settlement Agreement or
28 respond to any inquiries by the media regarding the Settlement, other than to state that the matter

1 was amicably settled, and the Court did not find Defendant liable. Plaintiff and her Counsel also
2 will not post any information about the Settlement Agreement on social media or their firms'
3 websites.

4 **16. Representation Regarding Class Size; Escalator Provision**

5 Defendant has represented that Class Members worked no more than 9,122 workweeks
6 during the Class Period. Should this number increase, the Gross Settlement Amount will increase
7 proportionately. For example, if there are 10,034 workweeks, the Gross Settlement Amount shall
8 increase by 10%.

9 **17. Continuing Jurisdiction.**

10 The Parties agree that upon the occurrence of the entry of judgment in this case pursuant to
11 the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code
12 of Civil Procedure Section 664.6 and all other applicable law, and the Court shall retain exclusive
13 and continuing equity jurisdiction of this Action over all Parties and Class Members to interpret
14 and enforce the terms, conditions and obligation of the Agreement.

15 **18. Default; Notice; Cure; Acceleration; Time is of the Essence.**

16 Time is of the essence with respect to all provisions of this Agreement. If Defendant fails
17 to timely make the payment due hereunder, it shall be in default of its obligations. Plaintiff shall
18 thereafter give notice of default to counsel of record for Defendant and Defendant must cure said
19 default within ten (10) calendar days thereof. In the event of an uncured default, all unpaid amounts
20 shall be due and payable with interest at the legal rate from the date of default. Time is of the
21 essence with respect to all terms of this Settlement.

22 [SIGNATURES ON FOLLOWING PAGE]
23
24
25
26
27
28

1 Dated: _____
2 12 / 07 / 2023

By:  _____
MARGARITA GARCIA
Plaintiff and Class Representative

3
4 Dated: _____
5

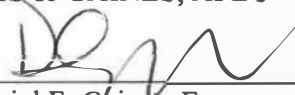
GREENS OPERATIONS, INC.

6 By: _____
7 Its: _____
8

9 **APPROVED AS TO FORM AND CONTENT:**

10 Dated: 12/7/2023

GAINES & GAINES, APLC

11 By:  _____
12 Daniel F. Gaines, Esq.
13 Alex P. Katofsky, Esq.
14 Counsel for Plaintiff and Class
15 Representative Margarita Garcia

16 Dated: _____

SOLTMAN, LEVITT, FLAHERTY &
WATTLES LLP

17 By: _____
18 Kevin Wattles, Esq.
19 Rachel Marko, Esq.
20 Counsel for Defendant Green Operations,
21 Inc.
22
23
24
25
26
27
28

1 Dated:

2 By: _____
3 MARGARITA GARCIA
4 Plaintiff and Class Representative

5 Dated: 12/7/2023

6 GREENS OPERATIONS, INC.

7 By: _____
8 Its: _____
9 Managing Principal

DocuSigned by:



82210DAD4BC048B...

10 **APPROVED AS TO FORM AND CONTENT:**

11 Dated: _____

12 GAINES & GAINES, APLC

13 By: _____
14 Daniel F. Gaines, Esq.
15 Alex P. Katofsky, Esq.
16 Counsel for Plaintiff and Class
17 Representative Margarita Garcia

18 Dated: December 6, 2023

19 SOLTMAN, LEVITT, FLAHERTY &
20 WATTLES LLP

21 By:  _____
22 Kevin Wattles, Esq.
23 Rachael Marko, Esq.
24 Counsel for Defendant Green Operations,
25 Inc.

EXHIBIT 1

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

MARGARITA GARCIA, on behalf of herself
and all “aggrieved employees” pursuant to Labor
Code § 2698 *et seq.*,

Plaintiff,

v.

GREENS OPERATIONS, INC., a California
corporation, GMPM HOSPITALITY, LLC, a
California limited liability company, and DOES
1 through 10, inclusive,

Defendants.

CASE NO: CVBL2200087

Assigned to the Hon. Harold W. Hopp, Dept. 1

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

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide \$1,000,000 to pay claims to all individuals who worked for Greens Operations, Inc. (“Defendant”) as a non-exempt (hourly paid) employee in California at any time between July 24, 2019 and July 24, 2023 who have not entered into an arbitration agreement with Defendant (“Class Members”), and all non-exempt (hourly paid) employees of Defendant in California at any time between March 28, 2021 and July 24, 2023, whether they entered into an arbitration agreement or not (“Aggrieved Employees”)
- The settlement resolves a lawsuit alleging that Defendant failed to pay all wages, including all minimum and overtime wages; failed to provide compliant meal and rest periods or premium compensation in lieu thereof; failed to timely issue final wages upon separation of employment; failed to issue accurate and complete itemized wage statements; required employees to work subject to unlawful contract terms; failed to maintain and produce payroll records; engaged in violations of Business and Professions Code section 17200; and is subject to penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”). PAGA authorizes aggrieved employees to file lawsuits to recover civil penalties on behalf of themselves, other employees, and the State of California for Labor Code violations. The Settlement avoids costs and risks of continuing the lawsuit, pays money to employees, and releases Defendant from liability from the claims asserted in this lawsuit.
- Lawyers for the employees will ask the Court to award them up to \$350,000 as attorney’s fees and \$20,000 as expenses for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the settlement amount.
- Defendant denies liability and believes all appropriate wages were paid and that it otherwise complied with all Labor Code obligations. The Parties disagree on how much money could have been awarded if employees won at trial.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You do not need to take any action if you wish to receive your settlement payment. If the settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator. If your address has changed, you must notify the Settlement Administrator of your new address. In exchange for the settlement payment, you will release claims against the Defendant, as detailed below.
Exclude Yourself	To exclude yourself, you must send a written Request for Exclusion to the Settlement Administrator by the applicable deadline, as detailed below. If you request exclusion, you will receive no money from the class settlement. This is the only option that allows you to ever be part of any other lawsuit against Greens Operations, Inc. about the legal claims that were brought in this case. Even if you exclude yourself, you will still be an Aggrieved Employee subject to the PAGA settlement
Object	Write to the Settlement Administrator about why you don't like the settlement by the applicable deadline, as detailed below, and/or appear at the Final Approval Hearing to make an oral objection.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement, as detailed below.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of the Class on whose behalf this class action lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On June 14, 2022, Plaintiff Margarita Garcia ("Plaintiff"), a former employee of Defendant Greens Operations, Inc., filed this lawsuit in the Riverside County Superior Court. The lawsuit alleges violations of the California Labor Code and California Business and Professions Code. The lawsuit seeks to certify a class of all non-exempt (hourly paid) employees of Defendant Greens Operations, Inc. in California at any time between July 24, 2019 and July 24, 2023 who have not entered into an arbitration agreement with Defendant ("Class Period"). Specifically, the lawsuit alleges that members of the Class were not paid all wages, including all minimum and overtime wages due; provided compliant meal and rest periods or premium compensation in lieu thereof; timely issued final wages upon separation of employment; provided employee files upon request; issued accurate and complete itemized wage statements; and related claims. The Settlement seeks recovery of wages, liquidated damages, damages, interest, statutory and civil penalties, restitution, attorney's fees, and costs. Defendant denies all of the material allegations in the lawsuit and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

The lawyers for the parties are:

Plaintiff's Attorneys

Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Gaines & Gaines, APLC
4550 E. Thousand Oaks Blvd., Suite 100
Westlake Village, CA 91362
Phone: (866) 550-0855

Defendant's Attorneys

Kevin Wattles, Esq.
Soltman, Levitt, Flaherty & Wattles LLP
90 E. Thousand Oaks Boulevard, Suite 300
Thousand Oaks, California 91360

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff believes she would have prevailed on her claims at a trial. Defendant does not believe that Plaintiff would have won anything from a trial. There has been no trial. Instead, both sides agreed to a settlement, which is memorialized in the First Amended Settlement Agreement and Release of Claims ("Settlement" or "Settlement Agreement"), in order to avoid the further costs, risks, and uncertainty of a trial. Plaintiff and Plaintiff's Attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all Class Members. The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, any final determination of those issues will be made at the Final Approval Hearing.

B. Who is in the Settlement Class? Who is an Aggrieved Employee?

The Settlement encompasses a class composed of all non-exempt (hourly paid) employees of Defendant Greens Operations, Inc. in California at any time between July 24, 2019 and July 24, 2023 who have not entered into an arbitration agreement with Defendant ("Class Period"). It also encompasses Aggrieved Employees composed of all non-exempt (hourly paid) employees of Defendant Greens Operations, Inc. in California at any time between March 28, 2021 and July 24, 2023 ("PAGA Period").

C. What does the Settlement provide?

1. Gross Settlement Amount.

The Settlement provides that Defendant will pay \$1,000,000 (the "Gross Settlement Amount") to settle the lawsuit.

2. Net Settlement Proceeds.

The "Net Settlement Proceeds" is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Proceeds is the Gross Settlement Amount less the following amounts that will be requested at the Final Approval Hearing and are subject to comment or objection by Participating Class Members. The Court will set these amounts at the Final Approval Hearing.

- (a) **Class Counsel's Attorney's Fees** in an amount set by the Court, not to exceed 35% of the Gross Settlement Amount (estimated at \$350,000);
- (b) **Class Counsel's Documented Litigation Costs/Expenses** in an amount set by the Court, not to exceed \$20,000;
- (c) **Service Payment and General Release Payment to the Class Representative** in an amount set by the Court, not to exceed \$15,000 to Plaintiff for her service in the lawsuit;
- (d) **Settlement Administration Costs** which are currently estimated to not exceed \$20,000, for administering the settlement; and
- (e) **PAGA Payment** in the total amount of \$100,000 for the settlement of claims arising under the California Private Attorneys General Act ("PAGA"). Of that amount, 75% or \$75,000, shall be paid to the California Labor and Workforce Development Agency ("LWDA"). The remaining 25%, or \$25,000, shall be included in the Net Settlement Proceeds for payment to Aggrieved Employees.

3. Individual Payment Amount.

Your share of the Net Settlement Proceeds will be determined by the formula detailed in section E below.

D. What Are You Giving Up To Get A Payment Or Stay In The Class?

Upon the Effective Date, and subject to Defendant's full payment of the Gross Settlement Amount and all associated employer payroll tax obligations, Plaintiff and all Settlement Class Members who do not timely opt-out of the Settlement will be deemed to have fully released and discharged Defendant Greens Operations, Inc., and its present and former officers, directors, employees, and agents ("Released Parties") from any and all Released Class Claims which arose during their employment in a non-exempt (hourly paid) position in California during the Class Period. "Released Class Claims" means any and all claims and/or causes of action which accrued during the Class Period during employment in a non-exempt (hourly paid) position in California, that are alleged, or that could have been alleged in the Action based on the facts set forth in the First Amended Complaint in the Action as part of the preliminary approval process (which includes direct class action claims under Labor Code §§ 201-203, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, and 1198 and under Business & Professions Code section 17200 *et seq.* predicated on the underlying Labor Code claims alleged). No PAGA claims are encompassed in the Released Class Claims.

Upon the Effective Date, and subject to Defendant's full payment of the Gross Settlement Amount and all associated employer payroll tax obligations, Plaintiff and the State of California will be deemed to have fully released and discharged the Released Parties from any and all Released PAGA Claims which arose during the PAGA Period. "Released PAGA Claims" means any and all PAGA claims and/or causes of action which accrued during the PAGA Period that are alleged in Plaintiff's pre-filing letter to the LWDA. Plaintiff does not release any Aggrieved Employee's claim for wages or damages. No Aggrieved Employee may opt out of the PAGA portion of the Settlement.

E. How Is My Share Of The Settlement Calculated?

Each participating Class Member (those who do not opt out of the Settlement) shall receive an “Individual Payment Amount,” which is distributable to each Class Member who participates in the Settlement (i.e., who does not submit a valid request for exclusion form), and a PAGA portion of the Individual Payment Amount, which is distributable to each Aggrieved Employee regardless of whether they participate in the Settlement (Aggrieved Employees will receive the PAGA portion of the Individual Payment Amount even if they exclude themselves from the Settlement or are not members of the Class).

“Individual Payment Amount” means the portion of the Net Settlement Proceeds distributable to each Class Member who participates in the Class Settlement (i.e., who does not submit a valid request for exclusion form) and each Aggrieved Employee, whether they participate in the Class Settlement or not. As to participating Class Members, the class portion of the Individual Payment Amount will be determined by dividing the Net Settlement Proceeds, less the \$25,000 PAGA allocation, by the total number of weeks worked by the entire Settlement Class in a non-exempt (hourly paid) position in California during the Class Period, net of opt outs, resulting in the class workweek value; and then multiplying the class workweek value by the number of weeks worked by each participating Class Member in a non-exempt (hourly paid) position in California during the Class Period.

As to the Aggrieved Employees, the PAGA portion of the Individual Payment Amount will be determined by dividing the PAGA settlement amount (\$25,000) by the total number of weeks worked by all Aggrieved Employees in a non-exempt (hourly paid) position in California during the PAGA Period, resulting in the PAGA workweek value; and then multiplying the PAGA workweek value by the number of weeks worked by each Aggrieved Employee in a non-exempt (hourly paid) position in California during the PAGA Period.

For tax purposes, the class portion of each Individual Payment Amount will be apportioned (a) 20% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 80% equally as penalties and interest (reported on an IRS Form 1099, if required). The PAGA portion of each Individual Payment Amount will be apportioned 100% as penalties (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to Class Members and Aggrieved Employees will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

Settlement Class Payment: According to the records of Defendant, you worked [] weeks while employed as a non-exempt (hourly paid) employee in California from July 24, 2019 through July 24, 2023, and you [did/did not] enter into an arbitration agreement with Defendant. Based on these weeks worked, you are entitled to an Individual Payment Amount of approximately \$[]. This amount is subject to change based on the final ruling of the Court. Note that if you entered into an arbitration agreement with Defendant, you will not be paid a Settlement Class Payment. The estimated range of possible recoveries is \$[] to \$[].

PAGA Payment: According to the records of Defendant, you worked [] weeks while employed as a non-exempt (hourly paid) employee in California from March 28, 2021 through July 24, 2023. Based on these weeks worked, you are entitled to a PAGA Payment Amount of approximately \$[]. This amount is subject to change based on the final ruling of the Court. The estimated range of possible recoveries is \$[] to \$[].

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than _____, 2023. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendant and will make a final and binding determination without a hearing or right of appeal by you.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the "Final Settlement Hearing") on _____, at 8:30 a.m., in the Courtroom of Judge Harold W. Hopp of the Riverside County Superior Court, Department 1, located at 4050 Main Street, Riverside, CA 92501. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of the settlement; (iv) the amount of the attorney's fees and costs to be awarded to Plaintiff's Attorneys; and (v) the amount that should be awarded to Plaintiff as a Service Payment and General Release Payment. At the Final Settlement Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than _____. The Settlement Administrator's address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement by completely filling out and mailing the enclosed Objection Form to the Settlement Administrator at the above-stated address, such that it is post marked no later than _____. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator at [Settlement Administrator address]. Written objections must be postmarked no later than _____. You may not object to the PAGA portion of the Settlement.

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself ("opt out") from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement except you will participate in the PAGA portion thereof and be paid a share of the PAGA settlement. With that exception, you will not be bound

by a judgment in this case and you will have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. You can opt out of the Class by completely filling out and mailing the enclosed Request for Exclusion Form to the Settlement Administrator at the above-stated address, such that it is postmarked no later than _____.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the settlement, you should review the detailed “First Amended Settlement Agreement and Release of Claims” which is attached to the “Declaration of Daniel F. Gaines in Support of Unopposed Motion for Preliminary Approval of Class Action Settlement” which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Riverside County Superior Court, located at 4050 Main Street, Riverside, CA 92501. You may also create an account and view the Settlement online at <https://epublic-access.riverside.courts.ca.gov/public-portal/?q=node/369>.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [address], [telephone number].

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT.

**BY ORDER OF THE SUPERIOR COURT OF
THE STATE OF CALIFORNIA**

EXHIBIT 2

REQUEST FOR EXCLUSION

ONLY COMPLETE THIS REQUEST FOR EXCLUSION FORM IF YOU WANT TO OPT OUT OF (NOT PARTICIPATE IN) THE SETTLEMENT OF THE ACTION KNOWN AS *Margarita Garcia v. Greens Operations, Incorporated*, Riverside County Superior Court Case. No. CVBL2200087. **IF YOU OPT OUT OF THE SETTLEMENT, YOU WILL NOT RECEIVE ANY PORTION OF THE CLASS SETTLEMENT AMOUNT. AGGRIEVED EMPLOYEES MAY NEITHER OBJECT TO, NOR EXCLUDE THEMSELVES FROM, THE PAGA PORTION OF THE SETTLEMENT.**

I confirm that I was employed by Defendant Greens Operations, Inc. as a non-exempt (hourly paid) employee in California between July 24, 2019 and July 24, 2023 and did not enter into an arbitration agreement with Greens Operations, Inc.

I do not wish to receive any payment under the terms of the proposed class action settlement or to otherwise participate in the proposed settlement.

Date: _____

Signature: _____

Print Name: _____

Residence Street Address: _____

City, State and Zip Code: _____

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE **[45 days after mailing of Notice]**. Send this signed request for exclusion form to the Settlement Administrator:

Greens Operations, Inc. Settlement Administrator

c/o _____

EXHIBIT 3

OBJECTION TO SETTLEMENT

Garcia v. Greens Operations, Incorporated - Class Action Litigation
Riverside County Superior Court Case Number CVBL2200087

I wish to remain a Settlement Class Member, but I object to the proposed class settlement for the following reason(s) which I request that the Court consider at the Final Settlement Hearing. (If more space is needed, or if you wish to provide any supporting papers, please attach them to this request):

Date: _____

Signature: _____

Print Name: _____

Residence Street Address: _____

City, State and Zip Code: _____

Last Four Digits of Social Security Number: _____

IN ORDER TO BE VALID, THIS OBJECTION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE **[45 days after mailing of Notice]**. Send this signed Objection Form to the Settlement Administrator:

Greens Operations, Inc. Settlement Administrator
c/o _____

Alternatively, you may show up at the Final Settlement Hearing, either in person or through an attorney at your own expense to object to the class portion of the Settlement.

EXHIBIT C