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

CRISTO HERNANDEZ, individually and on
behalf of others similarly situated, and as an
aggrieved employee and Private Attorney General,

Plaintiff,

vs.

ELDORADO NATIONAL (CALIFORNIA), INC.,
a California corporation; and DOES 1 through 50,
inclusive,

Defendants.

JOSE ARMANDO MATA, on behalf of himself
and all others similarly situated,

Plaintiff,

v.

ELDORADO NATIONAL CALIFORNIA, INC., a
subsidiary of the REV GROUP, a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: CVRI2201056 (lead)
(consolidated with CVRI2303500)

Honorable Harold W. Hopp
Department 1

**DECLARATION OF JONATHAN M.
GENISH IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Reservation ID: 555564398993
Date: May 1, 2025
Time: 8:30 a.m.
Dept.: 1

Hernandez Action Filed: March 14, 2022
Hernandez FAC Filed: January 19, 2023
Mata Action Filed: July 10, 2023
Mata FAC Filed: October 9, 2023

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DECLARATION OF JONATHAN M. GENISH

I, Jonathan M. Genish, declare and state as follows:

1. I am an attorney duly licensed to practice law in all Courts of the State of California. I am a shareholder and the founder of Blackstone Law, APC (“Class Counsel”), attorneys of record for Plaintiff Cristo Hernandez (“Plaintiff Hernandez”). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

Background and Experience

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

3. I received my law degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in 2008. During law school, I clerked at the litigation firm Oved & Oved, LLP and was published several times in various small publications. Upon graduation, I was hired by Freedman & Taitelman, LLP as an associate and remained employed there from September 2008 through August 2015. During my tenure, I managed hundreds (perhaps thousands) of complex litigation cases, ranging from employment, corporate, entertainment, and general business litigation matters, though my primary area of expertise was employment, both single plaintiff and representative actions.

4. On the vast majority of those cases, I was the only or primary attorney managing the case and thus obtained extensive experience. In that capacity, I conducted wage and hour and wrongful termination labor and employment intakes; was the primary contact for all clients; took and defended hundreds (if not thousands) of depositions; propounded and responded to all discovery; prepared and opposed all motions and pleadings, including dispositive and certification motions; strategized on all cases; attended all hearings; attended all mediations; coordinated with class action administrators; prepared and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all other intricate facets of litigation. During that time, I represented a wide range of clients from sole proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of the cases I managed were highly publicized, with articles written about them in the Los

1 Angeles Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super
2 Lawyers has regularly honored me as a Southern California Rising Star since 2012.

3 5. In February 2018, I started the law firm of Blackstone Law, APC, representing
4 plaintiffs in individual and representative employment litigation. The firm has grown exponentially
5 over the past seven-plus years, now maintaining over twenty highly pedigreed attorneys working on
6 almost exclusively labor and employment class actions, California Labor Code Private Attorney
7 General Act of 2004 (“PAGA”) cases, and individual matters, with roughly 15% of the firm focused
8 on other complex general litigation matters.

9 6. Blackstone Law, APC has been counsel of record on several class action and PAGA
10 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

11 7. I am currently the managing partner overseeing roughly 500 labor and employment
12 cases, approximately 80% of which include a wage and hour component. The majority of those cases
13 are wage-and-hour putative class actions or representative PAGA actions seeking relief on behalf of
14 thousands of California employees.

15 **Procedural History of the Actions**

16 **(CMO Paragraph G(3)(a)(vi))**

17 8. On March 7, 2022, Plaintiff Hernandez provided written notice to the California Labor
18 and Workforce Development Agency (“LWDA”) by online submission and to Defendant Eldorado
19 National (California), Inc. (“Defendant”) by U.S. Certified Mail, pursuant to California Labor Code
20 Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated
21 by Defendant (“Hernandez PAGA Letter”). A true and correct copy of the Hernandez PAGA Letter
22 is attached hereto as **Exhibit 2**.

23 9. On March 14, 2022, Plaintiff Hernandez filed a Class Action in the action entitled
24 *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court Case No.
25 CVRI2201056 (“Hernandez Action”), thereby commencing a putative class action against Defendant.

26 10. On January 19, 2023, Plaintiff Hernandez filed a First Amended Class Action and
27 Representative Action Complaint (“Hernandez Operative Complaint”), which added a cause of action
28 under PAGA. The Hernandez Operative Complaint alleges nine (9) causes of action for violations of

the California Labor Code for failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to provide accurate wage statements, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

11. On March 7, 2023, Plaintiff Hernandez and Defendant participated in a formal mediation conducted by Marc J. Feder, Esq. (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour matters, which did not result in a settlement at that time.

12. On March 9, 2023, Plaintiff Hernandez propounded written formal discovery onto Defendant (specifically, Special Interrogatories (Set One)), and served a proposed Belaire-West notice.

13. On April 11, 2023, Defendant served responses to Plaintiff Hernandez’s written formal discovery (specifically, Special Interrogatories (Set One)).

14. On May 11, 2023, Plaintiff Hernandez propounded written formal discovery onto Defendant (specifically, Form Interrogatories – General (Set One), Requests for Production of Documents (Set One), and Special Interrogatories (Set Two)).

15. On May 23, 2023, a Belaire-West notice was mailed in the Hernandez Action to eight hundred and sixty-four (864) putative class members. Seven (7) putative class members timely opted out by the response deadline.

16. On July 10, 2023, Plaintiff Jose Armando Mata (“Plaintiff Mata”) provided written notice to the LWDA by online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendant (“Mata PAGA Letter”).

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1 17. On July 10, 2023, Plaintiff Mata filed a Class Action Complaint in the action entitled
2 *Jose Armando Mata v. Eldorado National California, Inc.*, Riverside County Superior Court Case No.
3 CVRI2303500 (“Mata Action”), thereby commencing a putative class action against Defendant.

4 18. On August 2, 2023, Defendant served responses to Plaintiff Hernandez’s written formal
5 discovery (specifically, Form Interrogatories – General (Set One), Requests for Production of
6 Documents (Set One), and Special Interrogatories (Set Two)), along with a production of documents.

7 19. On October 9, 2023, Plaintiff Mata filed a First Amended Class Action Complaint
8 (“Mata Operative Complaint”), which added a cause of action under PAGA. The Mata Operative
9 Complaint alleges twelve (12) causes of action for violations of the California Labor Code for failure
10 to pay overtime wages, failure to pay minimum wages, failure to provide compliant meal periods and
11 premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments
12 in lieu thereof, failure to provide accurate wage statements, failure to provide employees’ records,
13 failure to adopt standards that minimize excessive indoor heat, failure to provide suitable seating,
14 failure to timely pay wages upon termination, and failure to reimburse necessary business expenses,
15 for violations of California Business & Professions Code Section 17200, *et seq.* based on the
16 aforementioned California Labor Code violations, and for civil penalties under PAGA based on the
17 aforementioned California Labor Code violations.

18 20. On January 4, 2024, Plaintiff Hernandez propounded written formal discovery onto
19 Defendant (specifically, Requests for Production of Documents (Set Two) and Special Interrogatories
20 (Set Three)).

21 21. On July 24, 2024, Plaintiff Hernandez served a notice of deposition of Defendant’s
22 person most knowledgeable along with a request for production of documents onto Defendant.

23 22. After further negotiations and with the assistance of the Mediator’s evaluations,
24 Plaintiff Hernandez, Plaintiff Mata (together, “Plaintiffs”), and Defendant (collectively, the “Parties”)
25 were able to reach an agreement to resolve the Hernandez Action and Mata Action (together, the
26 “Actions”) on a class and representative basis. The Parties then worked diligently to negotiate and
27 memorialize the terms in a long form settlement agreement.

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23. On December 20, 2024, the Parties executed the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 3**.

24. On January 21, 2025, pursuant to the joint stipulation of the Parties, the Court entered an Order, which consolidated the Actions and deemed the Hernandez Action lead.

Summary of the Terms of the Settlement Agreement

(CMO Paragraphs G(3)(a)(i), G(3)(a)(iv), G(3)(a)(v), G(3)(c), G(3)(i), and G(3)(j))

25. For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all current and former non-exempt employees who worked for Defendant within the State of California at any time during the Class Period, including those individuals who have signed arbitration agreements (“Class Members” or “Class”). The Class Period is defined as the period from March 14, 2018 through February 29, 2024. Based on information provided by Defendant, it is estimated that there are a total of eight hundred and sixty-eight (868) Class Members.

26. The Parties have agreed to settle the class and PAGA claims at issue in the Hernandez Operative Complaint and Mata Operative Complaint (together, the “Operative Complaints”) for a non-reversionary Gross Settlement Amount of Two Million Two Hundred Thousand Dollars and Zero Cents (\$2,200,000.00), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel’s fees in the amount of one-third (1/3) of the Gross Settlement Amount (i.e., \$733,333.33 if the Gross Settlement Amount is \$2,200,000.00); (2) Class Counsel’s actual litigation costs and expenses, not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00); (3) Settlement Administration Costs, not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00); (4) Enhancement Payment in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00); and (5) PAGA Amount in the amount of Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class Members is currently estimated to be One Million One Hundred Seventy-Seven Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$1,177,666.67).

1 27. Additionally, 25% of the PAGA Amount (“PAGA Employee Amount”), which is
2 \$60,000.00 out of \$240,000.00 will be fully distributed to all current and former non-exempt
3 employees who worked for Defendant within the State of California at any time during the PAGA
4 Period, including those individuals who have signed arbitration agreements (“PAGA Employees”).
5 The “PAGA Period” is defined as the period from March 7, 2021 through February 29, 2024. Based
6 on information provided by Defendant, it is estimated that there are a total of six hundred eighty-six
7 (686) PAGA Employees.

8 28. The Net Settlement Amount will be distributed and paid to all Class Members who do
9 not submit a timely and valid Request for Exclusion (“Settlement Class Members”) on a *pro rata* basis
10 based on the number of weeks each Class Member worked for Defendant as a non-exempt employee
11 in California during the Class Period (“Workweeks”). The *pro rata* share of the Net Settlement
12 Amount that a Class Member may be eligible to receive under the Class Settlement (“Individual
13 Settlement Share”) will be calculated by the Settlement Administrator, in accordance with the
14 Settlement Agreement.

15 29. The PAGA Employee Amount will be distributed and paid to all PAGA Employees on
16 a *pro rata* basis based on the number of pay periods each PAGA Employee worked for Defendant as
17 a non-exempt employee in California during the PAGA Period (“Pay Periods”). The *pro rata* share
18 of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA
19 Settlement (“Individual PAGA Payment”) will be calculated by the Settlement Administrator, in
20 accordance with the Settlement Agreement.

21 30. Based on Defendant’s representations, the highest Individual Settlement Share is
22 estimated to be Three Thousand Five Hundred Sixteen Dollars and Fifty-Four Cents (\$3,516.54), the
23 average Individual Settlement Share is estimated to be One Thousand Three Hundred Fifty-Six Dollars
24 and Seventy-Six Cents (\$1,356.76), the lowest Individual Settlement Share is estimated to be Eleven
25 Dollars and Thirty-One Cents (\$11.31), the highest Individual PAGA Payment is estimated to be One
26 Hundred Sixty-Four Dollars and Sixty-Seven Cents (\$164.67), the average Individual PAGA Payment
27 is estimated to be Eighty-Seven Dollars and Forty-Six Cents (\$87.46), and the lowest Individual
28 PAGA Payment is estimated to be Two Dollars and Eleven Cents (\$2.11).

1 31. Each Individual Settlement Share will be allocated as twenty percent (20%) wages and
2 eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will
3 be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage
4 damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The
5 Settlement Administrator will withhold the employee's share of taxes and withholdings with respect
6 to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class
7 Members for their net payment of their Individual Settlement Share ("Individual Settlement
8 Payment"). The employer's share of taxes and contributions in connection with the wages portion of
9 Individual Settlement Shares will be paid by Defendant separately and in addition to the Gross
10 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)
11 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

12 32. The Settlement Agreement is a non-reversionary and non-claims made settlement. The
13 Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount
14 will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement
15 Agreement. No money will revert to Defendant.

16 33. Each Individual Settlement Payment and Individual PAGA Payment check will be
17 valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are
18 issued, and thereafter, shall be canceled. The Settlement Administrator shall mail a reminder postcard
19 by First Class U.S. Mail to any Settlement Class Member and/or PAGA Employee whose Individual
20 Settlement Payment and/or Individual PAGA Payment check has not been negotiated within sixty (60)
21 calendar days after the date of mailing. Any funds associated with such canceled checks will be
22 distributed by the Settlement Administrator to the State of California's Unclaimed Property Division
23 in the name of the Settlement Class Member and/or PAGA Employee.

24 **The Settlement is Reasonable**

25 **(CMO Paragraph G(3)(a)(vi))**

26 ***Informed Arms-Length Negotiations***

27 34. The Parties' settlement negotiations were at all times made at arm's-length and were
28 adversarial and assisted by the Mediator who has substantial experience mediating wage and hour

1 cases. Although a settlement was not reached at mediation, it was reached after further negotiations
2 and with continued assistance from the Mediator. Plaintiffs engaged in additional negotiations with
3 Defendant over the terms of the agreement in order to finalize the long-form agreement presently
4 before the Court.

5 35. The Parties engaged in extensive formal and informal discovery prior to reaching a
6 settlement. Prior to mediation, Defendant produced a random sampling of putative class members'
7 time and payroll data as well as Defendant's relevant wage and hour policies, and information
8 regarding the total number of putative class members, the number of current versus former employees,
9 the total workweeks worked by the putative class members, the average rate of pay for the putative
10 class members, and exemplar relevant arbitration agreements.

11 36. This information allowed Class Counsel to conduct an informed assessment and
12 analysis of the strengths and weaknesses of the claims and the potential class-wide damages.

13 37. Based on the information exchanged, the Parties extensively briefed issues regarding
14 class certification and liability and provided their analyses to the Mediator who helped the Parties
15 debate the strengths and weakness of their respective positions.

16 ***Estimate of Potential Value of Claims***
17 **(CMO Paragraphs G(3)(a)(ii) and G(9)(b))**

18 38. Class Counsel analyzed all available data and estimated Defendant's maximum
19 potential exposure to be approximately \$22,399,486, assuming the litigation was successful at trial on
20 ***all*** claims at issue and further assuming that every employee had a violation for each claim on every
21 shift worked. This maximum potential analysis was then reduced based on the challenges facing the
22 likelihood of obtaining class certification, prevailing at trial, and other attendant risks. This estimate
23 is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks
24 during the relevant time period, less interest, and based on the analysis of the data which was
25 extrapolated out for all class members across the entire putative class period, which included:
26 \$2,514,746 for meal period violations (less meal period premiums paid); \$6,737,125 for rest period
27 violations at a 100% violation rate; \$6,737,125 for standards that minimize excessive indoor heat
28 violations at a 100% violation rate; \$137,341 for unpaid wages (regular, overtime, and double time

wages) due to rounding; \$1,950,326 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; \$191,925 for unpaid overtime wages at the required regular rate of pay; \$2,020,740 for waiting time penalties; \$1,869,750 for wage statement penalties; and \$240,408 for unreimbursed business expenses. Plaintiffs further estimated that Defendant faced an additional exposure of \$3,503,500 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA penalties. Together with the PAGA penalties, Defendant's maximum potential exposure totaled \$25,902,986 in damages.

Specific Risks Considered

(CMO Paragraphs G(3)(a)(iii), G(9)(a), and G(9)(b))

39. Although the investigation and information discovered supports Plaintiffs' contentions, Defendant raised potential defenses and other circumstances that impacted the risk of proceeding on a class-wide basis. Consideration of these risks factored into the negotiations and the decision to enter the Settlement.

40. Class Counsel was aware of Defendant's defenses and arguments and has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those involved in class and/or representative adjudication. Plaintiffs further recognize the burdens of proof necessary to establish liability for the claims asserted in the Actions, Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs have also considered the Parties' settlement discussions, as well as the evaluations of the Mediator, who is experienced and well-regarded in complex labor and employment matters.

41. Defendant denied and continues to deny any liability and wrongdoing of any kind associated with the claims alleged in the Actions and further denies that class certification is appropriate for any purpose other than the Settlement. Defendant believes that it would ultimately prevail in the Actions. Defendant proffered defenses to both certification and to the merits of Plaintiffs' claims. Defendant contended that Plaintiffs' claims are not suitable for class certification because individual issues would predominate should these cases go to trial. As with all class actions, these complex cases raise difficult management and proof issues and, accordingly, there is a significant risk that the Court may deny class certification.

1 42. For example, Plaintiffs' meal period claims, which were based on Defendant's alleged
2 failure to provide lawful meal periods, have been increasingly difficult to certify in recent years.
3 Plaintiffs' theory of liability for meal period violations was based on allegations that Defendant had
4 failed to implement its policies and that its practices failed to allow Class Members to take meal breaks
5 in the manner required under California law. Defendant contended that its policies and practices at all
6 times during the Class Period were lawful. Indeed, Plaintiffs' analysis revealed only a 37.2% violation
7 rate for unique meal period violations. Defendant further argued that the rate of purported meal period
8 violations reflected in the data would require individualized inquiry and that such inquiry would
9 prohibit a class from being certified. We also had to consider the risk that the Court would find validity
10 in the individualized proof defense to certification of Plaintiffs' meal period claim. Accordingly, a
11 discount of 65% was applied to the maximum potential value in order to account for the risks
12 associated with obtaining class certification, proving the underlying violations and reducing them by
13 the premiums Defendant was showed to have paid, as well as the cost and delay in recovering the
14 alleged potential damages. This process brought the value of this claim closer to \$880,161, after which
15 a discount of 60% was applied to account for the risks associated with succeeding on the merits and
16 establishing liability, bringing the value of this claim closer to \$352,064.

17 43. Additionally, a large portion of Defendant's overall liability lies in Plaintiffs' rest
18 period allegations. As with the meal period allegations, Defendant contended that it had a lawful
19 written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as
20 required under California law. Additionally, this claim was even more uncertain given the difficulties
21 associated with proving the alleged rest period violations, as Defendant was not required to record
22 these breaks. Given the lack of records demonstrating rest period violations, there were legitimate
23 concerns Plaintiffs would not be able to certify these claims or prove substantial damages with
24 requisite certainty, which made the estimated value of this claim subject to much challenge.
25 Accordingly, for the reasons stated above, a discount of 65% was applied to account for the risks
26 associated with obtaining class certification, thereafter proving the underlying violations, and the cost
27 and delay in recovering the alleged potential damages, bringing the value of this claim closer to
28 \$2,357,994. Thereafter, a discount of 60% was applied to account for the risks associated with

1 succeeding on the merits and establishing liability, bringing the value of this claim closer to \$943,197.

2 44. Plaintiffs also contended that Defendant failed to adopt standards that minimize
3 excessive indoor heat by maintaining an excessively hot working environment and failing to provide
4 Plaintiffs and Class Members with recovery periods. Defendant contended that it provided compliant
5 recovery periods to the Class Members and that its policies and practices during the Class Period
6 regarding minimizing any excessive indoor heat were lawful. Similar to rest period violations, this
7 claim was uncertain given the difficulties in associated with proving the alleged recovery period
8 violations as Defendant was not required to record these breaks. Given the lack of records
9 demonstrating recovery period violations, there were legitimate concerns Plaintiffs would not be able
10 to certify these claims or prove substantial damages with requisite certainty, which made the estimated
11 value of this claim also subject to much challenge. Accordingly, a discount of 65% was applied to
12 account for the risks associated with obtaining class certification, thereafter proving the underlying
13 violations, and the cost and delay in recovering the alleged potential damages, bringing the value of
14 this claim closer to \$2,357,994. Thereafter, a discount of 60% was applied to account for the risks
15 associated with succeeding on the merits and establishing liability, bringing the value of this claim
16 closer to \$943,197.

17 45. Plaintiffs also faced challenges certifying and proving liability for their minimum wage
18 and overtime claims. These claims were largely based on Defendant's rounding and unrecorded, off-
19 the-clock work performed by the Class Members. Plaintiffs argued that Defendant rounded
20 employees' time in a manner which was entirely in favor of Defendant and to the detriment of the
21 employees. While Defendant did round employees' time to the nearest quarter-hour in a non-neutral
22 manner, the analysis of Plaintiffs' time records showed that Defendant stopped its practice of rounding
23 in approximately February 2020. Plaintiffs' off-the-clock claims rested on unrecorded, off-the-clock
24 work performed by the Class Members both before and after their shifts and during purported meal
25 periods. This off-the-clock work included, amongst other things, requiring Plaintiffs and the other
26 Class Members to undergo mandatory exit searches. However, the individualized nature of why this
27 work was performed and the individualized nature of damages presented substantial concerns
28 regarding the manageability of the cases and the risk the Court could find these issues prevented

1 certification, and the estimated damages for these claims were based on an assumption that all Class
2 Members worked off the clock for at least one hour per week. Accordingly, a discount of 65% was
3 applied to account for the risks associated with obtaining class certification, thereafter proving the
4 underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the
5 value of these claims closer to \$730,683. Thereafter, a discount of 60% was applied to account for
6 the risks associated with succeeding on the merits and establishing liability, bringing the value of these
7 claims closer to \$292,273.

8 46. Plaintiffs' unpaid wages claim was based on Defendant having failed to factor in all
9 forms of non-discretionary compensation into the regular rate of pay for the purpose of paying
10 overtime compensation and sick pay. Defendant contended that it correctly factored in all forms of
11 non-discretionary compensation into the regular rate of pay for the purpose of paying overtime
12 compensation. Accordingly, a discount of 65% was applied to account for the risks associated with
13 obtaining class certification, thereafter proving the underlying violations, and the cost and delay in
14 recovering the alleged potential damages, bringing the value of this claim closer to \$67,174.
15 Thereafter, a discount of 60% was applied to account for the risks associated with succeeding on the
16 merits and establishing liability, bringing the value of this claim closer to \$26,869.

17 47. There are also substantial risks associated with Plaintiffs' waiting time penalties and
18 wage statement claims. First, these claims were derivative of Plaintiffs' claims for unpaid meal period
19 premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if
20 certification was denied on those underlying claims, these derivative claims for penalties would also
21 likely fail. Further, even if Plaintiffs prevailed on their underlying claims, they would still be required
22 to demonstrate that Defendant's violations of California Labor Code section 203 were *willful*
23 violations. Wage statement claims have also seen varying treatment at the appellate level because
24 such claims have an element of discretion attached to them rather than a pure calculation of damages
25 after liability is proven. Accordingly, these derivative claims, which comprised a substantial portion
26 of Defendant's estimated liability, were therefore uncertain. Accordingly, a discount of 65% was
27 applied to account for the risks associated with obtaining class certification, thereafter proving the
28 underlying violations, and the cost and delay in recovering the alleged potential damages, bringing the

1 value of this claim closer to \$1,361,671. Thereafter, a discount of 60% was applied to account for the
2 risks associated with succeeding on the merits and establishing liability, bringing the value of this
3 claim closer to \$544,668.

4 48. Plaintiffs further contended that Defendant failed to reimburse Plaintiffs and the other
5 Class Members for necessary business-related expenses, such as the purchase of uniforms and badges
6 and the time and expenses of training. Defendant contended that it had a policy and practice of
7 reimbursing employees for necessary business-related expenses. Defendant further contended that,
8 with respect to the alleged expenses for which Plaintiffs and the other Class Members never requested
9 reimbursement from Defendant, it did not know and had no reason to know that alleged business-
10 related expenses had been incurred. Defendant further contended that the reason for why a Class
11 Member undertook certain expenses, while not others, and failed to receive reimbursement for certain
12 expenses while not others, would raise individual issues that could not be certified. Accordingly, a
13 discount of 65% was applied to account for the risks associated with obtaining class certification,
14 thereafter proving the underlying violations, and the cost and delay in recovering the alleged potential
15 damages, bringing the value of this claim closer to \$84,143. Thereafter, a discount of 60% was applied
16 to account for the risks associated with succeeding on the merits and establishing liability, bringing
17 the value of this claim closer to \$33,657.

18 49. Class Counsel also recognized that, even if Plaintiffs prevailed at class certification,
19 proving the amount of wages due to each Class Member would be an expensive, time-consuming, and
20 extremely uncertain proposition. In order to prove liability and damages, my office will need to
21 request and analyze thousands of pages of documents, contact Class Members, and obtain declarations
22 at great expense. Obtaining the cooperation of current employees would also be difficult, given the
23 likely reluctance to aid prosecution of a lawsuit against a current employer. On the other hand,
24 Defendant would likely be able to obtain the cooperation of their employees. Moreover, even if
25 Plaintiffs prevailed at class certification and trial, possible appeals would substantially delay any
26 recovery by the Class.

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1 50. Class Counsel also separately contemplated the risks of proceeding with the PAGA
2 claims and potential liability Defendant could face from these claims as part of the global resolution.
3 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiffs' underlying
4 wage claims. We also anticipated that even if successful on the merits at trial, the imposition of
5 cumulative civil penalties based on the alleged wage and hour violations could be considered unjust,
6 arbitrary and oppressive, or confiscatory, and that Defendant would argue that it made a good faith
7 attempt to comply with its legal obligations warranting a reduction in penalties. Class Counsel also
8 anticipated Defendant would argue that it made a good faith attempt to comply with its legal
9 obligations and that the violations per pay period were low, warranting an additional reduction in civil
10 penalties. Finally, we were also mindful of the fact that PAGA is fundamentally not intended to be
11 compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by
12 financing state activities and educating and deterring non-compliance.

13 51. Therefore, after considering this multitude of factors, we concluded that it was in the
14 best interest of the State of California and the PAGA Employees to enter into the Settlement, and to
15 allocate Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00) of the Gross Settlement
16 Amount towards the PAGA claims, which represents approximately 10.91% of the Gross Settlement
17 Amount. This percentage of the settlement is well-within the range of wage and hour settlements
18 regularly approved in both state and federal court for cases that include both a class and PAGA action.
19 Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims,
20 and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been
21 approved as reasonable by courts. Moreover, the overall relief obtained by the Settlement is
22 significant, not only from a monetary perspective, but also because it fulfills the public policy
23 objectives of PAGA—to promote enforcement of California's labor laws, provide funds to the state,
24 and deter future non-compliance by the employer. Accordingly, a 65% discount was applied to
25 account for the risks associated with proving the underlying violations and the cost and delay in
26 recovering the alleged potential penalties, bringing the value of this claim closer to \$1,226,225. A
27 second discount of 60% was applied to account for the risks associated with succeeding on the merits
28 and establishing liability, bringing the value of this claim closer to \$490,490.

1 52. Therefore, the total value that could reasonably be expected to be awarded at trial, after
2 taking into account the risks faced in prevailing on certification and substantively thereafter is
3 \$3,626,418. Seen in this light, the Gross Settlement Amount of \$2,200,000 represents 60.67% of the
4 risk-adjusted value of the claims.

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

9 ***Enhancement Payment***

10 54. As part of the Settlement Agreement, Plaintiff Mata is requesting a reasonable
11 Enhancement Payment of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Mata. This
12 Enhancement Payment is eminently reasonable given the time and effort Plaintiff Mata spent on the
13 case, and the benefit to the Class Members as a result of Plaintiff Mata's actions. Notice of the
14 requested Enhancement Payment is disclosed to the Class Members in the Class Notice.

15 55. Plaintiff Hernandez has executed a separate agreement to settle and resolve his
16 individual claims with Defendant.

17 ***Attorneys' Fees and Costs***

18 56. The attorneys' fees incurred by Class Counsel are in line with the common fund
19 requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an
20 amount of up to one-third (1/3) of the Gross Settlement Amount (i.e., \$733,333.33 if the Gross
21 Settlement Amount is \$2,200,000.00) and actual litigation costs and expenses in an amount not to
22 exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), which will be paid out of the
23 Gross Settlement Amount, subject to approval by the Court. Class Counsel has borne all of the risks
24 and costs of litigation and will not receive any compensation until recovery is obtained.

25 57. The effectiveness of Class Counsel's prosecution of this matter has translated into
26 tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA
27 Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting
28 additional years for the same, or potentially worse, result; (2) a guaranteed result that compares

1 favorably with other similar class action settlements of this type, given the strengths and weaknesses
2 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only
3 increased significantly had the case progress through certification, trial, and/or upon appeal.

4 58. Class Counsel has litigated this matter since the Hernandez Action was commenced
5 and was actively preparing this matter for class certification and trial. The Motion for Final Approval
6 will elaborate on the nature of the legal services provided, the time incurred in performing those
7 services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the
8 reimbursement costs sought by Class Counsel. Notice of the requested Attorneys' Fees and Costs is
9 disclosed to the Class Members in the Class Notice.

10 ***Notice to the Class***

11 **(CMO Paragraph G(3)(d))**

12 59. After obtaining competing bids from multiple potential settlement administrators,
13 which included CPT Group Inc. (\$16,750.00), Apex Class Action LLC (\$12,750.00), and ILYM
14 Group, Inc. (\$11,950.00), the Parties agreed to retain ILYM Group, Inc. ("ILYM" or "Settlement
15 Administrator"), which was the lowest bidder, to handle the notice and settlement administration
16 process and allocate up to Fourteen Thousand Dollars and Zero Cents (\$14,000.00) for the Settlement
17 Administration Costs. The Parties respectfully request that the Court appoint ILYM to handle these
18 procedures and to serve as the Settlement Administrator. Defendant will provide ILYM with the Class
19 List and ILYM will calculate each Class Member's estimated Individual Settlement Share and each
20 PAGA Employee's estimated Individual PAGA Payment. ILYM will perform a search based on the
21 National Change of Address Database or other similar services available for information to update and
22 correct for any known or identifiable address changes and will mail a Notice Packets in English and
23 Spanish to all Class Members via First Class U.S. Mail, using the most current, known mailing
24 addresses identified by ILYM. ILYM will also receive and process Requests for Exclusion, Notices
25 of Objection, and Disputes; will provide necessary reports and declarations; will calculate, subtract,
26 and transmit necessary taxes and withholdings with respect to the wages portion of the Individual
27 Settlement Shares; will prepare and submit informational and other tax filings and documents; will
28 issue and transmit all payments provided for by the Settlement, including, but not limited to, mailing

1 Individual Settlement Payment checks to the Settlement Class Members and Individual PAGA
2 Payment checks to the PAGA Employees; and perform any other usual and customary duties for
3 administering a class action settlement.

4 60. I am not aware of an alternative method of providing notice to the Class which would
5 result in a higher likelihood of actual notice. The original source of the mailing addresses is from each
6 Class Member, who provided the information to Defendant. As a fail-safe to this highly reliable
7 method, skip tracing will be performed, if necessary.

8 ***Notice of Settlement to the LWDA***

9 61. In accordance with California Labor Code section 2699(1)(2), on February 3, 2025, a
10 copy of the proposed Settlement was submitted to the LWDA via online submission through the
11 LWDA's website. A true and correct copy of the email from the LWDA confirming receipt is attached
12 hereto as **Exhibit 4**.

13 ***Other Pending Actions***

14 **(CMO Paragraph 3.a.vii)**

15 62. I made reasonable inquiry of other members at Blackstone Law, APC, and I am not
16 aware of any other pending actions against Defendant in any other Court that the Settlement may
17 impact.

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

20 Executed on February 28, 2025, at Beverly Hills, California

21 
22 _____
23 Jonathan M. Genish
24
25
26
27
28

EXHIBIT 1

- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class

and PAGA action.

- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and

hour action pursuant to PAGA.

- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.

- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

EXHIBIT 2

March 7, 2022

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Cristo Hernandez v. REV Group and El Dorado National (California), Inc.*

Dear Representative:

This office represents Cristo Hernandez (“Claimant”) with respect to his claims under the California Labor Code against REV Group and El Dorado National (California), Inc. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employer”). This letter is being sent simultaneously to Employer by certified mail.

Employer employed Claimant from approximately January 2020 to October 2021 as an hourly-paid, non-exempt employee. During his employment with Employer, Claimant was employed as a welder at Employer’s location at 9670 Galena St., Riverside, California 92509. Employer is a bus manufacturer.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employer in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3, and shall serve as Claimant's notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employer violated several of California’s wage and hour laws during

Claimant's employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the Industrial Welfare Commission Wage Orders ("IWC Wage Order") including, *inter alia*, IWC Wage Order No. 1. The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

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

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

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Order No. 1 require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Order No. 1 further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employer regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to perform work-related duties after clocking out at the end of their shift, including but not limited to, undergoing mandatory exit searches. Employer failed to compensate Claimant and other Aggrieved for any of this off-the-clock work, in violation of California law. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. As a result, Employer has failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employer violated IWC Wage Order No. 1 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 1; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

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

California law requires employers to provide employees with an opportunity to take an

uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

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

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; and (6) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees' right to receive timely, uninterrupted, and duty-free meal periods. Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 1 and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 1; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

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

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes must for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

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

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods. Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 1 and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 1; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employer has failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employer violated California Labor Code section 204(a).

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

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock) and the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums). The wage statements provided to Claimant and other Aggrieved Employees also failed to include the correct name of the legal entity that employed Claimant and other Aggrieved Employees. Accordingly, Employer violated California Labor Code section 226(a).

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

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employer has failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated IWC Wage Order No. 1 and California Labor Code sections 1198.5 and 1174(d). Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 1; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 1 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include, but are not limited to, uniforms. Accordingly, Employer violated IWC Order No. 1 and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 1; and attorneys' fees and costs.

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

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

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Claimant and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even

within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer's practices of requiring Claimant and Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, and failure to accurately record all hours actually worked, Employer failed to pay Claimant and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Claimant and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employer violated California Labor Code sections 201 and 202.

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

Employer is in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employer for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, et seq., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of himself, the State of California and all Aggrieved Employees should your office not address Employer's alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

A handwritten signature in blue ink, appearing to read "S. Emi Minne".

S. Emi Minne, Esq.

Cc: By U.S. Certified Mail, Return Receipt Requested

REV GROUP/ELDORADO NATIONAL
9670 Galena Street
Riverside, California 92509

ELDORADO NATIONAL (CALIFORNIA), INC.
9670 Galena Street
Riverside, California 92509

ELDORADO NATIONAL (CALIFORNIA), INC.
Attn: C T Corporation Systems, Agent for Service of Process
330 N. Brand Blvd., Suite 700
Glendale, CA 91203

EXHIBIT 3

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

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiffs Cristo Hernandez
4 (“Plaintiff Hernandez”) and Jose Armando Mata (“Plaintiff Mata”) (together, “Plaintiffs” or “Class
5 Representatives”), individually, and on behalf of all others similarly situated and on behalf of the State
6 of California with respect to aggrieved employees, and Defendant Eldorado National (California), Inc.
7 (“Defendant”) (collectively, Plaintiffs and Defendant are referred to as “Parties” and individually as
8 “Party”).

9 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as
10 defined herein), the State of California as to the employment of PAGA Employees (as defined herein),
11 and Defendant, subject to the terms and conditions hereof and the approval of the Court.

12 **RECITALS**

13 1. On March 7, 2022, Plaintiff Hernandez provided written notice to the Labor and
14 Workforce Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified
15 Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California
16 Labor Code alleged to have been violated by Defendant (“Hernandez PAGA Letter”). On March 14,
17 2022, Plaintiff Hernandez filed a Class Action Complaint in the action entitled *Cristo Hernandez v.*
18 *Eldorado National (California), Inc.*, Riverside County Superior Court Case No. CVRI2201056
19 (“Hernandez Action”), thereby commencing a putative class action against Defendant. On January
20 19, 2023, Plaintiff Hernandez filed a First Amended Class Action and Representative Action
21 Complaint (“Hernandez Operative Complaint”), which added a cause of action under the Private
22 Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”).
23 The Hernandez Operative Complaint alleges nine (9) causes of action for violations of the California
24 Labor Code for failure to pay overtime wages, failure to provide compliant meal periods and premium
25 payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu
26 thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to
27 provide accurate wage statements, and failure to reimburse necessary business expenses, for violations
28 of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned

California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

2. On July 10, 2023, Plaintiff Mata provided written notice to the LWDA by online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendant (“Mata PAGA Letter”). Also on July 10, 2023, Plaintiff Mata filed a Class Action Complaint in the action entitled *Jose Armando Mata v. Eldorado National California, Inc.*, Riverside County Superior Court Case No. CVRI2303500 (“Mata Action”), thereby commencing a putative class action against Defendant. On October 9, 2023, Plaintiff Mata filed a First Amended Class Action Complaint (“Mata Operative Complaint”), which added a cause of action under PAGA. The Mata Operative Complaint alleges twelve (12) causes of action for violations of the California Labor Code for failure to pay overtime wages, failure to pay minimum wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to provide accurate wage statements, failure to provide employees’ records, failure to adopt standards that minimize excessive indoor heat, failure to provide suitable seating, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

3. The Hernandez PAGA Letter and Mata PAGA Letter are together referred to as the “PAGA Letters”. The Hernandez Operative Complaint and Mata Operative Complaint are together referred to as the “Operative Complaints”. The Hernandez Action and Mata Action are together referred to as the “Actions”.

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

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5. Class Counsel diligently investigated the class and PAGA claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of corporate policies and practices. The Parties have engaged in sufficient formal and informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

6. On March 7, 2023, the Parties participated in mediation with Marc J. Feder, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, which did not result in a settlement at that time. After further negotiations and with the assistance of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

DEFINITIONS

8. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Actions and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 11.

1 b. “Class” or “Class Member(s)” means all current and former non-exempt
2 employees who worked for Defendant within the State of California at any time during the Class
3 Period, including those individuals who have signed arbitration agreements.

4 c. “Class Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang,
5 and Alexandra Rose of Blackstone Law, APC and Marcus J. Bradley and Kiley Grombacher of
6 Bradley/Grombacher, LLP, who will seek to be appointed counsel for the Class.

7 d. “Class List” means a complete list of all Class Members that Defendant will
8 diligently and in good faith compile from its records and provide to the Settlement Administrator. The
9 Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following
10 information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security
11 number; (4) dates worked for Defendant during the Class Period; and (8) such other information as is
12 necessary for the Settlement Administrator to calculate Workweeks and Pay Periods (if applicable).

13 e. “Class Notice” means the Notice of Class Action Settlement, substantially in
14 the form attached hereto as “**Exhibit A**.”

15 f. “Class Period” means the period from March 14, 2018 through February 29,
16 2024.

17 g. “Class Settlement” means the settlement and resolution of all Released Class
18 Claims.

19 h. “Court” means the Superior Court of the State of California for the County of
20 Riverside.

21 i. “Defendant’s Counsel” means Grace Y. Horoupian and Andrew C. Crane of
22 Fisher & Phillips LLP.

23 j. “Dispute” means a letter submitted by a Class Member disputing the number of
24 Workweeks and/or Pay Periods to which they have been credited, which must: (a) contain the case
25 name and number of one of the Actions; (b) contain the Class Member’s full name, signature, address,
26 telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c)
27 clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to
28 the Class Member and what the Class Member contends is the correct number; and (d) be returned by

mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

k. “Effective Date” means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Notice Packet has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing and entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order and Judgment; and (6) in the event there are written objections to the Class Settlement filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the following events: five business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Court’s Final Approval Order and Judgment has finally and conclusively dismissed with no right to pursue further remedies or relief.

l. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant in addition to the Gross Settlement Amount.

m. “Enhancement Payment” means the amount to be paid to Plaintiff Mata, in recognition of his effort and work in prosecuting the Mata Action on behalf of Class Members and PAGA Employees, and general release of claims, as set forth in Paragraph 10.

n. “Exclusion Form” means the Request for Exclusion Form, substantially in the form attached hereto as “**Exhibit B.**”

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

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

3 q. “Final Approval Order and Judgment” means the order granting final approval
4 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
5 Parties, and subject to approval by the Court.

6 r. “Gross Settlement Amount” means the amount of Two Million Two Hundred
7 Thousand Dollars and Zero Cents (\$2,200,000.00) to be paid by Defendant in full satisfaction of the
8 Actions, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and
9 Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement
10 Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes
11 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
12 reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross
13 Settlement Amount is subject to increase, as provided in Paragraph 15.

14 s. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
15 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
16 calculated in accordance with Paragraph 17.

17 t. “Individual Settlement Payment” means the net payment of each Settlement
18 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
19 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
20 Paragraph 18.

21 u. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
22 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
23 in accordance with Paragraph 16.

24 v. “LWDA Payment” means the amount of One Hundred Eighty Thousand
25 Dollars and Zero Cents (\$180,000.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to
26 pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 13.

27 w. “Net Settlement Amount” means the portion of the Gross Settlement Amount
28 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount

less the Court-approved Attorneys' Fees and Costs, Enhancement Payment, PAGA Amount, and Settlement Administration Costs.

x. "Notice of Objection" means an Objection Form or a Settlement Class Member's written objection to the Class Settlement, which must: (a) contain the case name and number of one of the Actions; (b) contain the objector's full name, signature, address, telephone number, and the last four (4) digits of the objector's Social Security number; (c) contain a written statement of all grounds for the objection; (d) attach any documents on which the objector is relying for the objection; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

y. "Notice Packet" means the Class Notice, Exclusion Form, and Objection Form, substantially in the forms attached hereto as "**Exhibit A**," "**Exhibit B**," and "**Exhibit C**."

z. "Objection Form" means the Notice of Objection Form, substantially in the form attached hereto as "**Exhibit C**."

aa. "PAGA Amount" means the allocation of Two Hundred Forty Thousand Dollars (\$240,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Amount, or \$180,000.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$60,000.00, will be distributed to the PAGA Employees (i.e., the PAGA Employee Amount).

bb. "PAGA Employees" means all current and former non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period, including those individuals who have signed arbitration agreements.

cc. "PAGA Employee Amount" means the amount of Sixty Thousand Dollars and Zero Cents (\$60,000.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their Pay Periods.

dd. "PAGA Period" means the period from March 7, 2021 through February 29, 2024.

ee. "PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

1 ff. “Pay Periods” means the number of pay periods each PAGA Employee worked
2 for Defendant as a non-exempt employee in California during the PAGA Period. Pay Periods will be
3 calculated by the Settlement Administrator by determining the number of pay periods in which any
4 PAGA Employee actually worked at least one shift during the PAGA Period.

5 gg. “Preliminary Approval” means the date on which the Court enters the
6 Preliminary Approval Order.

7 hh. “Preliminary Approval Order” means the order granting preliminary approval
8 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
9 the Court.

10 ii. “Released Class Claims” means any and all claims under any federal, state, or
11 local law, which were alleged in the Operative Complaints or which could have been alleged based on
12 the factual allegations in the Operative Complaints, arising during the Class Period, and shall
13 specifically include claims for Defendant’s alleged failure to pay overtime and minimum wages,
14 provide compliant meal and rest periods and associated premium payments, timely pay wages upon
15 termination, provide accurate wage statements, provide employees’ records, adopt standards that
16 minimize excessive indoor heat, provide suitable seating, and reimburse necessary business-related
17 expenses in violation of California Labor Code Sections 201, 202, 203, 221, 223, 226(a), 226.7, 510,
18 512(a), 516, 1174, 1182, 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2802, and 6720, the applicable
19 Industrial Welfare Commission Wage Orders, and California Business and Professions Code sections
20 17200-17209.

21 jj. “Released PAGA Claims” means any and all claims described in the PAGA
22 Letters and only to the extent that they are alleged in the Operative Complaints, arising during the
23 PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor
24 Code Sections 2698-2699.8 for Defendant’s alleged failure to pay overtime and minimum wages,
25 provide compliant meal and rest periods and associated premium payments, timely pay wages during
26 employment and upon termination, provide complaint wage statements, maintain complete and
27 accurate payroll records, adopt standards that minimize excessive indoor heat, provide suitable seating,
28 and reimburse necessary business-related expenses in violation of California Labor Code Sections

201, 202, 203, 204, 221, 223, 226(a), 226.7, 510, 512(a), 1174, 1182.11-1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and 6720, and the applicable Industrial Welfare Commission Wage Orders.

kk. “Released Parties” means Defendant and its officers, directors, employees, and agents.

ll. “Request for Exclusion” means an Exclusion Form or letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of one of the Actions; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

mm. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Notice Packet is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline.

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

oo. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in

Paragraph 14.

pp. “Settlement Class” or “Settlement Class Member(s)” means all Class Members who do not submit a timely and valid Request for Exclusion.

qq. “Workweeks” means the number of weeks each Class Member worked for Defendant as a non-exempt employee in California during the Class Period. Workweeks will be calculated by the Settlement Administrator by determining the number of workweeks in which any Class Member actually worked at least one shift during the Class Period.

CLASS CERTIFICATION

9. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

10. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties’ stipulation to class certification as part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF THE AGREEMENT

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

11. Attorneys’ Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for attorneys’ fees in the amount up to one-third (1/3) of the Gross Settlement Amount (i.e., \$733,333.33 if the Gross Settlement Amount is \$2,200,000.00) and reimbursement of actual costs and expenses associated with Class Counsel’s litigation and settlement of the Actions, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court’s

1 approval of this Settlement Agreement, including any objections raised and any appeals necessitated
2 by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing
3 this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
4 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
5 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
6 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

7 12. Enhancement Payment. Defendant agrees not to oppose or impede any application or
8 motion by Plaintiff Mata for an Enhancement Payment in the amount up to Ten Thousand Dollars and
9 Zero Cents (\$10,000.00). The Enhancement Payment, which will be paid from the Gross Settlement
10 Amount, subject to Court approval, will be in addition to Plaintiff Mata's Individual Settlement
11 Payment as a Settlement Class Member and Individual PAGA Payment as a PAGA Employee.
12 Plaintiff Mata shall be solely and legally responsible for correctly characterizing this compensation
13 for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator
14 shall issue an IRS Form 1099 to Plaintiff Mata for the Enhancement Payment. Any portion of the
15 requested Enhancement Payment that is not awarded by the Court to Plaintiff Mata shall be reallocated
16 to the Net Settlement Amount for the benefit of the Settlement Class Members.

17 13. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
18 Two Hundred Forty Thousand Dollars (\$240,000.00) shall be allocated from the Gross Settlement
19 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section
20 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$180,000.00, will be
21 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$60,000.00, will be
22 distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the
23 total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e., the
24 Individual PAGA Payments).

25 14. Settlement Administration Costs. The Settlement Administrator will be paid for the
26 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
27 which is currently not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00). These
28 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,

1 *inter alia*, translating the Notice Packet to Spanish, printing, distributing, and tracking Notice Packets
2 and other documents for the Settlement, calculating and distributing payments due under the
3 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
4 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
5 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
6 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
7 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
8 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
9 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
10 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
11 Settlement Class Members.

12 15. Escalator Clause. Defendant has represented that the Class Members worked a total of
13 100,534 workweeks during the period March 14, 2018 through January 19, 2024. If it is determined
14 by the Settlement Administrator that the total number of Workweeks worked by the Class Members
15 during the Class Period actually exceeds 100,534 by more than 10% (i.e., by more than 110,587
16 Workweeks), then the Gross Settlement Amount will be increased on a *pro rata* basis equal to the
17 percentage increase in the number of Workweeks worked by the Class Members above 100,534.

18 16. Individual Settlement Share Calculations. Individual Settlement Shares will be
19 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
20 Workweeks, as follows:

21 a. After Preliminary Approval, the Settlement Administrator will divide the Net
22 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
23 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
24 to yield each Class Member's estimated Individual Settlement Share that each Class Member may be
25 entitled to receive under the Class Settlement.

26 b. After Final Approval, the Settlement Administrator will divide the final Net
27 Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek
28 Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek

Value to each Settlement Class Member's final Individual Settlement Share.

17. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

18. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

19. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

20. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation

1 by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement
2 Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class
3 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties
4 assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class
5 Members, and PAGA Employees should consult with their tax advisors concerning the tax
6 consequences of any payment they receive under the Settlement.

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

1 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

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

12 23. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
13 Upon execution of this Settlement Agreement, Plaintiffs will obtain a hearing date from the Court for
14 Plaintiffs' motion for preliminary approval of the Settlement, which Plaintiffs and Class Counsel will
15 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said
16 motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion
17 before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval
18 of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiffs will
19 apply for the entry of the Preliminary Approval Order seeking the following:

- 20 a. Conditionally certifying the Class for settlement purposes only;
- 21 b. Granting Preliminary Approval of the Settlement;
- 22 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
- 23 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 24 e. Approving as to form and content, the mutually-agreed upon and proposed
25 Notice Packet and directing its mailing by First Class U.S. Mail;
- 26 f. Approving the manner and method for Class Members to request exclusion
27 from or object to the Class Settlement as contained herein and within the Class Notice;
- 28 g. Scheduling a Final Approval Hearing at which the Court will determine whether

Final Approval of the Settlement should be granted.

24. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement upon filing the motion for preliminary approval of the Settlement.

25. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

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

a. Within seven (7) calendar days after receiving the Class List from Defendant, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Notice Packet in English and Spanish (in the forms attached as **Exhibit A**, **Exhibit B**, and **Exhibit C** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. Any Notice Packet returned to the Settlement Administrator as undeliverable on or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search, using the name, address, and/or Social Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.

c. Compliance with the procedures described herein above shall constitute due and sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process. Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to provide notice of the Settlement.

27. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an opportunity to dispute the number of Workweeks and/or Pay Periods to which they have been credited, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the

1 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
2 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
3 has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data
4 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
5 Member, Defendant's records will be presumed to be correct and determinative of the dispute.
6 However, if a Class Member produces information and/or documents to the contrary, the Settlement
7 Administrator will evaluate the materials submitted by the Class Member and the Settlement
8 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
9 the disputing Class Member should be credited with under the Settlement. The Settlement
10 Administrator's decision on such disputes will be final and non-appealable.

11 28. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
12 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
13 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
14 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
15 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
16 Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are
17 submitted, and also identify the individuals who have submitted a timely and valid Request for
18 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
19 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
20 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
21 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
22 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
23 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
24 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
25 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
26 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
27 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be issued
28 their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

1 29. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
2 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
3 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
4 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
5 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
6 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
7 and complete and which were not), and also attach them to a declaration that is to be filed with the
8 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
9 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
10 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
11 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
12 whether they have submitted a Notice of Objection.

13 30. Reports by the Settlement Administrator. The Settlement Administrator shall provide
14 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
15 Notice Packets; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
16 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
17 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
18 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
19 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
20 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a
21 Dispute.

22 31. Defendant's Right to Rescind. If more than ten percent (10%) of Class Members
23 representing more than an aggregate total of ten percent (10%) of the Workweeks submit timely and
24 valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant
25 must exercise this right of rescission in writing that is provided to Class Counsel within fourteen (14)
26 calendar days of the Settlement Administrator notifying the Parties of the number of Class Members
27 who have submitted timely and valid Requests for Exclusion following the Response Deadline. The
28 Parties agree that, if Defendant exercises this option, the Settlement shall be void ab initio, have no

1 force or effect whatsoever, and that neither Party will have any further obligation to perform under
2 this Settlement Agreement; except that, Defendant shall pay any costs of settlement administration
3 owed to the Settlement Administrator incurred up to the date the option is exercised in writing.

4 32. Certification of Completion. Upon completion of administration of the Settlement, the
5 Settlement Administrator will provide a written declaration under oath to certify such completion to
6 the Court and counsel for all Parties.

7 33. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
8 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
9 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
10 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
11 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final
12 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
13 Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
14 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
15 before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the Final
16 Approval Order and Judgment, which will provide for, in substantial part, the following:

17 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
18 consummation of its terms and provisions;

19 b. Certification of the Settlement Class;

20 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

21 d. Approval of the application for Enhancement Payment to Plaintiff Mata;

22 e. Directing Defendant to fund all amounts due under the Settlement Agreement
23 and ordered by the Court; and

24 f. Entering judgment in the Actions, while maintaining continuing jurisdiction, in
25 conformity with California Rules of Court 3.769 and the Settlement Agreement.

26 34. Funding of the Gross Settlement Amount. Within ten (10) business days after the
27 Effective Date, Defendant will deposit the Gross Settlement Amount into a Qualified Settlement Fund
28 ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by

1 the Settlement Administrator. Defendant shall provide all information necessary for the Settlement
2 Administrator to calculate necessary payroll taxes including its official name, 8-digit state
3 unemployment insurance tax ID number, and other information requested by the Settlement
4 Administrator, no later than ten (10) business days after the Effective Date.

5 35. Distribution of the Gross Settlement Amount. Within five (5) business days of the
6 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
7 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
8 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff Mata, Attorneys' Fees and Costs
9 to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall
10 also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding,
11 and timely forward these to the appropriate government authorities.

12 36. Settlement Checks. The Settlement Administrator will be responsible for undertaking
13 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
14 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
15 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
16 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
17 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
18 Members and PAGA Employees are not required to submit a claim to be issued an Individual
19 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
20 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
21 calendar days from the date the checks are issued, and thereafter, shall be canceled. The Settlement
22 Administrator shall mail a reminder postcard by First Class U.S. Mail to any Settlement Class Member
23 and/or PAGA Employee whose Individual Settlement Payment and/or Individual PAGA Payment
24 check has not been negotiated within sixty (60) calendar days after the date of mailing. Any funds
25 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
26 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or
27 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under
28 California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to
Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendant

will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting required under applicable local, state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA Payment checks.

37. Class Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

38. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and the State of California with respect to all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

39. Plaintiff Mata's General Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff Mata, individually and on his own behalf, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which Plaintiff Mata, at any time of execution of this Settlement Agreement, had or claimed to have or may have, including but not limited to any and all claims arising out of, relating to, or resulting from his employment and/or separation of employment with the Released Parties, including any claims arising under any federal, state, or local law, statute, ordinance, rule, or regulation or Executive Order relating to employment, including, but in no way limited to, any claim under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981; the Americans with Disabilities Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the California Family Rights Act; the California Fair Employment and Housing Act; all claims for wages or penalties under the Fair Labor Standards Act; all claims for wages or penalties under the California Labor Code; Business and Professions Code sections 17200 *et seq.*; all laws relating to violation of public policy, retaliation, or interference with legal rights; any

1 and all other employment or discrimination laws; whistleblower claims; any tort, fraud, or
2 constitutional claims; and any breach of contract claims or claims of promissory estoppel. It is agreed
3 that this is a general release and is to be broadly construed as a release of all claims, provided that,
4 notwithstanding the foregoing, this Paragraph expressly does not include a release of any claims that
5 cannot be released hereunder by law. Plaintiff Mata understands and expressly agrees that this
6 Settlement Agreement extends to claims that he has against Defendant, of whatever nature and kind,
7 known or unknown, suspected or unsuspected, vested or contingent, past, present, or future, arising
8 from or attributable to an incident or event, occurring in whole or in part, on or before the execution
9 of this Settlement Agreement. Any and all rights granted under any state or federal law or regulation
10 limiting the effect of this Settlement Agreement, including the provisions of Section 1542 of the
11 California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil
12 Code reads as follows:

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

18 40. Final Approval Order and Judgment. The Parties shall provide the Settlement
19 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
20 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
21 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
22 Class will be required.

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

1 42. Effects of Termination or Rescission of Settlement. Termination or rescission of the
2 Settlement Agreement shall have the following effects:

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

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

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

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

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

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

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

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

28 45. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all

1 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
2 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
3 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
4 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),
5 which provide that a written agreement is to be construed according to its terms and may not be varied
6 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
7 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

8 46. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
9 the Actions (including with respect to California Code of Civil Procedure § 583.310), except such
10 proceedings necessary to implement and complete this Settlement Agreement, pending the Final
11 Approval Hearing to be conducted by the Court.

12 47. Amendment or Modification. Prior to the filing of the motion for preliminary approval
13 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
14 except by written agreement signed by counsel for all Parties. After the filing of the motion for
15 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
16 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
17 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
18 constitute a waiver of any other provision.

19 48. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
20 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
21 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
22 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
23 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
24 full authority to enter into this Settlement Agreement, and further intend that this Settlement
25 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
26 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
27 confidentiality provisions that otherwise might apply under state or federal law.

28 49. Signatories. It is agreed that because the members of the Class are so numerous, it is
impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the

1 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
2 as to the State of California with respect to all PAGA Employees, and the releases provided for by this
3 Settlement Agreement shall have the same force and effect as if this Settlement Agreement were
4 executed by each Class Member.

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

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

9 52. Execution and Counterparts. This Settlement Agreement is subject only to the
10 execution of all Parties. However, this Settlement Agreement may be executed in one or more
11 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
12 copies of the signature page, will be deemed to be one and the same instrument.

13 53. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
14 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived
15 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking
16 into account all relevant factors, present and potential. The Parties further acknowledge that they are
17 each represented by competent counsel and that they have had an opportunity to consult with their
18 counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if
19 necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the
20 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the
21 Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

26 55. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by
27 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
28 to implement the Settlement.

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

15 57. Captions. The captions and paragraph numbers in this Settlement Agreement are
16 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
17 intent of the provisions of this Settlement Agreement.

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

24 59. Representation By Counsel. The Parties acknowledge that they have been represented
25 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
26 that this Settlement Agreement has been executed with the consent and advice of counsel, and
27 reviewed in full.

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

3 61. Notices. All notices, demands, and other communications to be provided concerning
4 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
5 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
6 as follows:

7 To Plaintiff Hernandez and Class Counsel:

8 Jonathan M. Genish
9 jgenish@blackstonepc.com
10 Miriam L. Schimmel
11 mschimmel@blackstonepc.com
12 Joana Fang
13 jfang@blackstonepc.com
14 Alexandra Rose
15 arose@blackstonepc.com
16 **BLACKSTONE LAW, APC**
17 8383 Wilshire Boulevard, Suite 745
18 Beverly Hills, California 90211
19 Tel: (310) 622-4278 / Fax: (855) 786-6356

20 To Plaintiff Mata and Class Counsel:

21 Marcus J. Bradley
22 mbradley@bradleygrombacher.com
23 Kiley Grombacher
24 kgrombacher@bradleygrombacher.com
25 **BRADLEY/GROMBACHER, LLP**
26 31365 Oak Crest Drive, Suite 240
27 Westlake Village, California 91361
28 Tel: (805) 270-7100 / Fax: (805) 270-7589

To Defendant:

 Grace Y. Horoupian
 ghoroupian@fisherphilips.com
 Andrew C. Crane
 acrane@fisherphilips.com
 FISHER & PHILLIPS LLP
 2050 Main Street, Suite 1000
 Irvine, California 92614
 Tel: (949) 851-2424 / Fax: (949) 851-0152

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

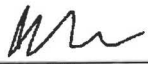
1 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or
2 content of any document needed to implement the Settlement Agreement, or on any supplemental
3 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties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

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

7 **IT IS SO AGREED.**

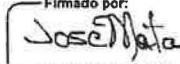
8 **PLAINTIFF CRISTO HERNANDEZ**

9
10 Dated: 10/24/2024


Plaintiff Cristo Hernandez

12 **PLAINTIFF JOSE ARMANDO MATA**

13
14 Dated: 10/29/2024

Firmado por:

Plaintiff Jose Armando Mata

16 **DEFENDANT ELDORADO NATIONAL
(CALIFORNIA), INC.**

17
18 Dated: 12/17/2024


Full Name: JASON DEE

20 Title: PRESIDENT / CEO
On behalf of Eldorado National (California), Inc.

22 **APPROVED AS TO FORM ONLY:**

23 **BLACKSTONE LAW, APC**

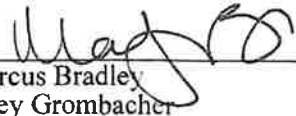
24
25 Dated: October 24, 2024


Jonathan M. Genish
Miriam Schimmel
Joana Fang
Alexandra Rose
Attorneys for Plaintiff Cristo Hernandez
and Proposed Class Counsel

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BRADLEY/GROMBACHER, LLP

Dated: 10/29/24



Marcus Bradley
Kiley Grombacher
*Attorneys for Plaintiff Jose Armando Mata
and Proposed Class Counsel*

FISHER & PHILLIPS LLP

Dated: 12/20/24



Grace Y. Horoupian
Andrew C. Crane
Samantha E. Cardarelli
*Attorneys for Defendant National (California),
Inc.*

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Cristo Hernandez v. Eldorado National (California), Inc
Superior Court of California for the County of Riverside, Case No. CVRI2201056
Jose Armando Mata v. Eldorado National California, Inc.
Superior Court of California for the County of Riverside, Case No. CVRI2303500

PLEASE READ THIS CLASS NOTICE CAREFULLY.

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

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

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

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Cristo Hernandez ("Plaintiff Hernandez") and Jose Armando Mata ("Plaintiff Mata") and Defendant Eldorado National (California), Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the cases *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court Case No. CVRI2201056 ("Hernandez Action"), and *Jose Armando Mata v. Eldorado National California, Inc.*, Riverside County Superior Court Case No. CVRI2303500 ("Mata Action") (together, "Actions"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Settlement Share and an Individual PAGA Payment (if any). In exchange, you agree to release the Released Class Claims against the Released Parties that are covered by the Settlement. See Section III.D of this Class Notice.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Class Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a Request for Exclusion. Once excluded, you will no longer be eligible for an Individual Settlement Payment. See Section IV.B of this Class Notice.
The Opt-out Deadline is [Response Deadline]	You cannot opt-out of the PAGA Settlement. Defendant must pay Individual PAGA Payments to all PAGA Employees.
Settlement Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") can object to the Class Settlement by sending the Settlement Administrator a Notice of Objection. See Section IV.C of this Class Notice.
Written Objections Must be Submitted by [Response Deadline]	Settlement Class Members cannot object to the PAGA Settlement.
You Can Dispute the Number of Your Workweeks and/or Pay Periods (if any)	The amount of your Individual Settlement Share and Individual PAGA Payment (if any) depend on how many Workweeks and Pay Periods (if any) you were determined to have worked during the Class Period and/or PAGA Period. If you disagree with either of the numbers below, you must submit a Dispute to the Settlement Administrator. See Section III.B of this Class Notice.
Written Disputes Must be Submitted by [Response Deadline]	You have been credited with [] Workweeks during the Class Period. You have been credited with [] Pay Periods during the PAGA Period.

I. IMPORTANT DEFINITIONS

“**Class**” or “**Class Member**” means all current and former hourly employees who worked for Defendant within the State of California at any time during the Class Period, including those individuals who have signed arbitration agreements.

“**Class Period**” means the period from March 14, 2018 through February 29, 2024.

“**Class Settlement**” means the settlement and resolution of all Released Class Claims.

“**PAGA Employees**” means all current and former hourly employees who worked for Defendant within the State of California at any time during the PAGA Period, including those individuals who have signed arbitration agreements.

“**PAGA Period**” the period from March 7, 2021 through February 29, 2024.

“**PAGA Settlement**” means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTIONS

On March 7, 2022, Plaintiff Hernandez provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that Plaintiff Hernandez contends were violated (“Hernandez PAGA Letter”). On March 14, 2022, Plaintiff Hernandez commenced a putative class action lawsuit by filing a Class Action Complaint. On January 19, 2023, Plaintiff Hernandez filed a First Amended Class Action and Representative Action Complaint (“Hernandez Operative Complaint”), adding a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698-2699.8 (“PAGA”).

On July 10, 2023, Plaintiff Mata provided written notice to the LWDA and Defendant of the specific provisions of the California Labor Code that Plaintiff Mata contends were violated (“Mata PAGA Letter”). Also on July 10, 2023, Plaintiff Mata commenced a putative class action lawsuit by filing a Class Action Complaint. On October 9, 2023, Plaintiff Mata filed a First Amended Class Action Complaint (“Mata Operative Complaint”), which added a cause of action under PAGA.

The Hernandez PAGA Letter and Mata PAGA Letter are together referred to as the “PAGA Letters”. The Hernandez Operative Complaint and Mata Operative Complaint are together referred to as the “Operative Complaints”.

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination of employment and associated waiting-time penalties, provide accurate wage statements, failure to provide employees’ records, failure to adopt standards that minimize excessive indoor heat, failure to provide suitable seating, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200-17210, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendant denies all of the allegations in the Actions or that it violated any law. Defendant contends, among other things, that it complied at all times with the California Labor Code, Industrial Welfare Commission Wage Orders, and Business and Professions Code, that employees were correctly and timely paid all wages, and that meal periods and rest breaks were provided as required by applicable law.

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

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Cristo Hernandez and Jose Armando Mata as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish

Miriam L. Schimmel
Joana Fang
Alexandra Rose
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Marcus J. Bradley
Kiley Grombacher
BRADLEY/GROMBACHER, LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Tel: (805) 270-7100 / Fax: (805) 270-7589

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees. The Court has made no ruling on the merits of the claims asserted in the Actions and has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval hearing.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Two Million Two Hundred Thousand Dollars and Zero Cents (\$2,200,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed 1/3 of the Gross Settlement Amount (i.e., \$733,333.33), and reimbursement of litigation costs and expenses, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff Mata for his services in the Mata Action; (3) the amount of Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$180,000.00) (“LWDA Payment”) and the remaining 25% (\$60,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendant as an hourly employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Settlement Class Members will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form

1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment"). The employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment") based on the number of pay periods each PAGA Employee worked for Defendant as an hourly employee in California during the PAGA Period ("Pay Periods"). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiplied each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant's Records

According to Defendant's records:

- **From March 14, 2018 through February 29, 2024 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From March 7, 2021 through February 29, 2024 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator ("Dispute"). The Dispute must: (a) contain the case name and number of one of the Actions (*Cristo Hernandez v. Eldorado National (California), Inc.*, Case No. CVRI2201056 or *Jose Armando Mata v. Eldorado National California, Inc.*, Case No. CVRI2303500); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you.

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

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

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

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and the State of California with respect to all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims under any federal, state, or local law, which were alleged in the Operative Complaints or which could have been alleged based on the factual allegations in the Operative Complaints, arising during the Class Period, and shall specifically include claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages upon termination, provide accurate wage statements, provide employees’ records, adopt standards that minimize excessive indoor heat, provide suitable seating, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 221, 223, 226(a), 226.7, 510, 512(a), 516, 1174, 1182, 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2802, and 6720, the applicable Industrial Welfare Commission Wage Orders, and California Business and Professions Code sections 17200-17209.

“Released PAGA Claims” means any and all claims described in the PAGA Letters and only to the extent that they are alleged in the Operative Complaints, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698-2699.8 for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide complaint wage statements, maintain complete and accurate payroll records, adopt standards that minimize excessive indoor heat, provide suitable seating, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 221, 223, 226(a), 226.7, 510, 512(a), 1174, 1182.11-1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, and 6720, and the applicable Industrial Welfare Commission Wage Orders.

“Released Parties” means Defendant and its officers, directors, employees, and agents.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$733,333.33) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff Mata

Plaintiff Mata will seek the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Enhancement Payment”), in recognition of his services in connection with the Mata Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff Mata in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee, you will automatically be issued your Individual PAGA Payment.

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

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter indicating a request to be excluded from the Class Settlement, as described below, or by completing and submitting the enclosed Request for Exclusion Form (both of which are referred to as a "Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of one of the Actions (*Cristo Hernandez v. Eldorado National (California), Inc.*, Case No. CVRI2201056 or *Jose Armando Mata v. Eldorado National California, Inc.*, Case No. CVRI2303500); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

PAGA Employees will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. PAGA Employees may not request exclusion from the PAGA Settlement.

C. Object to the Class Settlement

You can object to the Class Settlement, as long as you have not submitted a Request for Exclusion, by submitting a written objection, as described below, or by completing and submitting the enclosed Notice of Objection Form (both of which are referred to as a "Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of one of the Actions (*Cristo Hernandez v. Eldorado National (California), Inc.*, Case No. CVRI2201056 or *Jose Armando Mata v. Eldorado National California, Inc.*, Case No. CVRI2303500); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection; (d) attach any documents on which you are relying for the objection; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

PAGA Employees may not object to the PAGA Settlement.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 1 of the Riverside County Superior Court, located at Riverside Historic Courthouse, 4050 Main Street, Riverside, California 92501, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff Mata, and Settlement Administration Costs to the Settlement Administrator.

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

On the Court's website, you can find information regarding appearing remotely via Zoom online (for the Final Approval Hearing that is scheduled to be held in Department 1 of the Riverside Historic Courthouse of the Riverside Superior Court): <https://riverside.courts.ca.gov/remoteppearance>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement, which is attached as Exhibit [] to the Declaration of Jonathan M. Genish in Support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement filed on [MPA filing date] and other papers which are on file with the Records Management Division of the Riverside County Superior Court, located at the Riverside Historic Courthouse, 4050 Main Street, Riverside, California 92501. Some documents and information regarding the Actions can also be accessed online for a fee or at a minimal charge at the Riverside County Superior Court's website (<https://epublic-access.riverside.courts.ca.gov/public-portal/>). To look up and access documents and information on the Court's systems, you will need to use the case number for the Actions (Case No. CVRI2201056 and Case No. CVRI2303500).

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

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

EXHIBIT B

REQUEST FOR EXCLUSION FORM

USE AND RETURN THIS FORM **ONLY IF** YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT.

If you wish to exclude yourself from the Class Settlement, you must read and sign the following statement and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

I request to be excluded from the class action settlement in the matter of *Cristo Hernandez v. Eldorado National (California), Inc.* and *Jose Armando Mata v. Eldorado National California, Inc.*, Riverside County Superior Court Case No. CVRI2303500. By excluding myself from the class action settlement, I understand that I will not be bound by the settlement and release of the Released Class Claims, and I will not receive an Individual Settlement Payment. I understand that, nevertheless, if I am a PAGA Employee, exclusion from the Class Settlement will not result in exclusion from the PAGA Settlement and I will still be issued an Individual PAGA Payment.

Date: _____

Full Name: _____

Address: _____

Telephone Number: _____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

If you do not wish to exclude yourself from the Class Settlement (and you wish to receive payment from the Class Settlement), you should not return this form – you do not need to take any action.

EXHIBIT C

NOTICE OF OBJECTION FORM

USE AND RETURN THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you wish to object to the Class Settlement, you must state all grounds for your objection (space is provided below for doing so), attach any documents you are relying on for your objection, provide your signature, and return this form to the Settlement Administrator, by mail, postmarked on or before **[Response Deadline]**, at the following mailing address:

[Settlement Administrator]

[Mailing Address]

I wish to object to the Class Settlement on the following grounds:

Date: _____

Full Name: _____

Address: _____

Telephone Number: _____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

EXHIBIT 4



Outlook

Thank you for your Proposed Settlement Submission

From DIR PAGA Unit <no-reply@formassembly.com>
Date Mon 2/3/2025 4:17 PM
To Stephany Sinaguinan <ssina@blackstonepc.com>

[External Email].

02/03/2025 04:17:25 PM

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

Item submitted: Proposed Settlement

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: <http://labor.ca.gov/Private Attorneys General Act.htm>