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Attorneys for Plaintiff RONALD MEJIA,
individually and on behalf of all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

RONALD MEJIA, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

SUNBELT RENTALS, INC., a North
Carolina Corporation; and DOES 1-10,
inclusive,

Defendant.

CASE NO.: 22STCV10099 (LEAD);
22STCV17704
CASE ASSIGNED TO:
Hon. William F. Highberger
Dept. 10 (Spring Street)

**DECLARATION OF JAMES HAWKINS
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Date: March 13, 2025
Time: 10:30 a.m.
Dept.: 10

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1. I am an individual over the age of 18. I am a partner at the law firm of James Hawkins, APLC. I am one of the attorneys of record for Plaintiff Ronald Mejia (hereinafter referred to as “Plaintiff” or “Class Representative”), who commenced this class and PAGA action on behalf of the Class Members and Aggrieved Employees. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement, which Plaintiff filed concurrently herewith, along with the supporting Memorandum of Points and Authorities. I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently.

2. Attached hereto as **Exhibit 1** is a true and correct copy of the executed Settlement Agreement which the Parties ask the Court to approve. Attached as **Exhibit A** to the Settlement Agreement is a true and correct copy of the Notice of Class Action Settlement.

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1 5. The Court found that the two cases were related within the meaning of California
2 Rules of Court, Rule 3.300(a), making the Class Action the lead case.

3 6. On June 11, 2024, Mejia and Sunbelt participated in mediation to reach a global
4 class settlement of the Class and PAGA Actions. While the parties were not successful in
5 resolving the Lawsuits during the mediation, subsequent negotiations facilitated by mediator
6 Kristin Rizzo have resulted in the class-wide resolution of this matter and is intended to be the full
7 and final resolution of the Class and PAGA Actions.

8 **INVESTIGATION**

9 7. Plaintiff's Counsel conducted a thorough investigation into the factual and legal
10 issues implicated by Plaintiff's claims and were able to objectively assess the settlement's
11 reasonableness. For example, prior to filing the action, Plaintiff contacted Plaintiff's Counsel to
12 discuss the factual bases for pursuing their actions against Defendant for Labor Code violations.
13 Plaintiff was intimately familiar with Defendant's labor policies and practices, and over the course
14 of multiple interviews, knowledgeably summarized those policies and practices to Plaintiff's
15 Counsel. During those conversations, Plaintiff's Counsel explained how the policies and practices
16 were instituted and provided valuable insight into how they gave rise to the alleged Labor Code
17 violations. Based on these interviews with Plaintiff, Plaintiff's Counsel determined that there were
18 legally sufficient grounds for pursuing the Actions against Defendant. And in preparation for
19 drafting the complaints, Plaintiff's Counsel conducted their own independent preliminary
20 investigations into the factual bases for Plaintiff's claims, which entailed, *inter alia*, a careful
21 examination of Plaintiffs' personnel files and associated records.

22 8. Plaintiff's Counsel received a considerable amount of documents and data,
23 including employee demographic data, time and pay records for the entire class, sample waivers,
24 sample arb agreements, Defendant's policies and procedures manuals which covered a broad
25 range of topics including, *inter alia*, employee clock-in policies and procedures, attendance
26 policies, meal periods/rest periods, overtime & premium pay, etc. The document and data
27 exchanges allowed Plaintiff's Counsel to fully assess the nature and magnitude of the claims being
28 settled, as well as the impediments to recovery, and ultimately enabled Plaintiff's Counsel to make

1 an independent assessment of the reasonableness of the settlement's terms.

2 9. In summary, Plaintiff's Counsel performed a thorough investigation into the claims
3 at issue, which included: (1) determining Plaintiffs' suitability as private attorneys general and
4 class representatives through interviews, background investigations, and analyses of their
5 employment files and related records; (2) evaluating all of Plaintiff's potential representative
6 claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of
7 the positions, and the type of employer; (4) analyzing employees' time and wage records; (5)
8 reviewing Defendant's employment policies and practices; (6) researching settlements in similar
9 cases; (7) evaluating Plaintiffs' claims and estimating Defendant's liability for purposes of
10 settlement; (8) drafting the mediation brief; and (9) participating in the mediation.

11 10. By engaging in such a thorough investigation and evaluation of Plaintiff's claims,
12 Plaintiff's Counsel can opine that the Settlement, for the consideration and on the terms set forth
13 in the Settlement Agreement, is fair, reasonable, an adequate, and is in the best interests of Class
14 Members in light of all known facts and circumstances, including the risk of significant delay and
15 uncertainty associated with litigation, and various defenses asserted by Defendant.

16 11. Defendant denies any wrongdoing and denies liability with respect to the matters
17 alleged in the Complaint and believe that they have valid defenses to all of Plaintiff's claims.
18 Defendant further contends that they complied with all wage and hour laws applicable to the
19 employment of Plaintiff and other Class Members. To date, no class has been certified and no
20 court has made any findings that Defendant engaged in any wrongdoing or in any wrongful
21 conduct, or otherwise acted improperly or in violation of any law, rule or regulation with respect
22 to any of the issues presented in this action. Defendant contends it implemented written policies
23 and maintained practices that complied with the requirements of the California Labor Code and
24 applicable California Wage Orders. Defendant contends all minimum wages, overtime wages,
25 and double time wages were paid in compliance with California law and applicable California
26 Wage Orders. In addition, an individualized investigation into the circumstances surrounding
27 failure to pay wages is warranted because such claims can only be decided on a case-by-case
28 basis, common issues do not predominate and class certification is neither superior nor proper.

1 Defendant contends that Plaintiff and Class Members were not subject to any bonuses or other
2 remuneration requiring recalculation of the regular rate for overtime and sick-pay payments.
3 Lastly, Defendant asserts it maintained a policy of no off the clock work, and the facts and
4 circumstances regarding off the clock were not supported in this case.

5 12. Since the filing of the complaint, the Parties have exchanged extensive
6 informal discovery and engaged in numerous discussions regarding the factual and legal issues
7 surrounding this case. Throughout the litigation, Defendant produced thousands of pages of
8 information and thousands of lines of data, including policies, handbooks, payroll and time
9 records for approximately 25% of the class. Defendant also provided Plaintiff's personnel file,
10 records regarding documents identifying the non-exempt positions and information regarding the
11 number of employees holding these positions during the relevant time period. Defendant also
12 provided substantial information concerning the total number of potential class members, the
13 payroll data at issue, and the applicable hourly rates, workweeks and pay periods, and other
14 summary data related to the alleged class. The Parties have conducted themselves in informed,
15 good faith arms-length negotiations after conducting discovery and exchanging extensive evidence
16 and information about the claims and defenses of this lawsuit through informal discovery, and
17 engaging in pre-mediation discussions, telephone conferences, and correspondence all aimed at
18 settling their dispute.

19 13. In preparation for the mediations, Plaintiff reviewed the entire discovery produced.
20 The information had to be extrapolated and processed to figure out the amount of compensation
21 Plaintiff contends are due to the Class. The evidence and information gathered and reviewed by
22 counsel provided a factual framework for a comprehensible and reliable damage model pertaining
23 to all Settlement Class Members. The mediation included discussions and examination of the
24 proposed Class and the Parties' respective positions on the legal and factual issues raised in the
25 Complaint.

26 14. As a result of the mediation, the Parties agreed to settle this matter for a Gross
27 Settlement Amount ("GSA") of \$1,300,000. The settlement class is defined as all current and
28 former non-exempt employees of Sunbelt in California who were paid Paid Time Off ("PTO") (as

denoted on an employee's paystub with the pay code, "PTO") at any time during the Class Period i.e. March 23, 2018 through July 28, 2024. Defendant represents there are approximately 2,433 individuals in the Class Period. (Settlement Agreement ¶¶ 5,7).

15. Plaintiff's counsel balanced the terms of the proposed Settlement against the risk of litigation and probable outcome at the class certification stage, and if any Class were certified, at trial. Based on their own respective independent investigations and evaluations, and after taking into account the sharply disputed factual and legal issues involved in this matter, the risks attending further prosecution of the case, and the monetary benefits received under the Settlement despite the questionable nature of the claims, Plaintiff's counsel is of the opinion that Settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable and adequate and is in the best interests of Plaintiff and the Class. Counsel for the Parties investigated the applicable law as applied to the facts discovered regarding the claims of Plaintiff, Defendants' defenses thereto and the damages claimed by Plaintiff on behalf of the Settlement Class.

16. I believe that the consideration and terms set forth in the Settlement Agreement are fair, reasonable, and adequate and are in the best interests of the Settlement Class in light of all known facts and circumstances, including the various defenses asserted by Defendant, and numerous potential appellate issues. In addition, the prospect of a potential adverse summary judgment ruling, as well as the uncertainty of class certification, the difficulties of complex litigation, the lengthy process of establishing specific damages and various possible delays and appeals, were also carefully considered in agreeing to the proposed Settlement.

SETTLEMENT TERMS

17. The \$1,300,000.00 GSA includes, without limitation, (1) automatic payments from the Net Settlement Amount to all Class Members who do not opt out; (2) attorneys' fees in the amount of up to \$455,000.00 and reimbursement of litigation costs and expenses in the amount of up to \$30,000.00 to Class Counsel ("Attorneys' Fees and Costs" or "Class Counsel Award"); (3) Service payment to Plaintiff in the amount of up to \$10,000.00 ("Service Payment"); (4) fees and expenses of administration of the Settlement to the Settlement Administrator in an amount not to exceed \$35,000.00 ("Settlement Administration Costs"); (5) the twenty-five percent (25%) share

1 of the PAGA Penalties to be a part of the Net Settlement Sum that will be distributed to Class
2 Members in the PAGA Group in the amount of \$32,500.00; and (6) the seventy-five percent
3 (75%) share of PAGA Penalties (“LWDA Payment”) in the amount of \$97,500.00 to the
4 California Labor and Workforce Development Agency (“LWDA”). This is a non-reversion
5 settlement. After deductions, the Net Settlement Amount (“NSA”) is estimated to be
6 approximately \$640,000.00.

7 **ANALYSIS OF RISKS AND FAIRNESS OF SETTLEMENT**

8 18. Fairness of the Settlement is demonstrated by the uncertainty and risks to Plaintiff
9 involved both in not prevailing on one or more of the causes of action or theories alleged in the
10 operative Complaint and in non-certification, and if successful, Defendant disputes of the ability
11 of Plaintiff to certify a class in this case. Defendant also argued it maintained lawful written
12 policies that were provided to the class members. Yet, despite the defenses proffered by
13 Defendant, the proposed Settlement commits Defendant to pay each Class Member a portion of
14 the NSA. The amount to be paid to the Class is fair, adequate and reasonable given the significant
15 risk to Plaintiff and the Class in continuing with the litigation and not prevailing on their claims at
16 class certification or at trial or not being paid anything even if trial was successful.

17 19. The GSA is well within the acceptable range of reasonableness for the claims of the
18 Settlement Class Members. Class Counsel built multiple liability models, each making different
19 assumptions about how a court might resolve various issues related to the calculation of penalties
20 and damages for the claims at issue. Explained below, after analysis and review of Defendant’s
21 time and pay record production and other payroll data, Class Counsel estimates the overall
22 predicted realistic total recovery for the Class arising from the regular rate claims to be
23 approximately \$840,392.00. Class Counsel’s predicted realistic total recovery for the Class arising
24 from the PAGA claim to be approximately \$2,997,000.00.

25 20. Defendant’s time keeping records, payroll records, and review of other relevant
26 data points, were analyzed to come up with a damage model to determine Defendant’s exposure.
27 The predominant claims in this action arise from alleged violations of California law with respect
28 to Defendant’s failure to and provide sick time cloaked in the form of Paid Time Off (“PTO”), pay

1 overtime wages at the correct regular rate, and failure to pay sick pay at the correct regular rate,.
2 Plaintiff alleges that these practices resulted directly from the implementation and enforcement of
3 Defendants' own policies and practices.

4 21. At the time of mediation, Plaintiff was provided data and information for
5 approximately 212,744 workweeks and 56,910 pay periods. Based on the due diligence of analysis
6 of the data and records produced and in consideration of the prior related settlements against
7 Defendant, the value of the claims in this matter rested in the claims associated with PTO and the
8 regular rate for overtime and sick-pay. Therefore these are the predominant claims contemplated
9 by the settlement and which serves as the basis of the Release in this matter. As a result, there are
10 an estimated 22,016 Impacted Pay Periods during the class period, and approximately 14,986 pay
11 periods during the PAGA Period. "Impacted Pay Periods" means those pay periods where a Class
12 Member and/or Aggrieved Employee was paid "PTO" (as denoted on the paystub with the pay
13 code, "PTO", of each Class Member and/or Aggrieved Employee) during the Class and PAGA
14 Periods based on Defendant's records; provided the allocation of Impacted Pay Periods shall be
15 subject to the following annual caps, which are consistent with the annual caps under Labor Code
16 § 246.

17 22. Through the payroll data provided to Plaintiff, it was determined that there was
18 approximately 2,502 payments made to the class that contained additional forms of remunerations
19 potentially not accurately captured into the employees' regular rate. This resulted in the following
20 estimated maximum exposure for underpayments of the Class: (1) approximately \$389,755.00 of
21 overtime underpayments and (2) approximately \$450,637.00 of sick-pay underpayments, totaling
22 approximately \$840,392.00 of underpayments relating to overtime and sick-pay. Plaintiff will use
23 this maximum exposure for purposes of calculating the realistic total recovery.

24 23. Defendant contends Plaintiff could not successfully argue that derivative waiting
25 time penalties were owed. Further, Plaintiff would still face a difficult, if not impossible, hurdle to
26 overcome the willfulness threshold required by Labor Code section 203. Plaintiff evaluated and
27 considered the former Class Members who have separated from Defendant's employ during the
28 Class Period. Plaintiff applied the three-year statute of limitations and argued that the employer's

1 underlying violation was willful. Defendant disagreed with this analysis, with respect to the
2 “willfulness” prong and argued that Plaintiff could not show willfulness. The considerable risk
3 that Defendant could defeat certification and prevail on its defenses defeating any and all recovery
4 to the class warranted a compromise of the class claims. Similarly, Defendants contend that they
5 have complied with all such requirements with respect to payroll records and wage statements at
6 all times. Further, Plaintiff would still face a difficult, if not impossible, hurdle to overcome the
7 willfulness threshold required by Labor Code section 226. Defendant contends its practices have
8 been in compliance with applicable law as set forth above, and that Plaintiff has no basis for
9 asserting a claim under the UCL.

10 24. The maximum estimated exposure for the Labor Code section 203 claim was
11 calculated at \$10,644,359.00 (for approximately 1,458 employees). Similarly, the maximum
12 estimated exposure for the Labor Code section 226, premised on Defendant’s failure to
13 incorporate hourly rates for PTO accrued, was calculated at approximately \$5,596,600.00 (for
14 approximately 1,888 employees). The maximum estimated exposure is likely to be reduced
15 significantly, by up to half the above stated values, when only the Impacted Pay Periods are taken
16 into account. Given the defenses asserted for the underlying regular rate, overtime, and sick pay
17 claims and the lack of evidence supporting the necessary “willfulness” prong for a Labor Code
18 section 203 claim, Class Counsel believes that there are significant hurdles to certification of the
19 Labor Code section 203 and Labor Code section 226 claims. As such, Plaintiff ascribes no realistic
20 exposure for purposes of calculating realistic total recovery. The maximum estimated exposure for
21 the PAGA claim was calculated at approximately \$2,997,000.00 in PAGA penalties (14,986
22 Impacted Pay Periods x \$200). Further, based on the policies and practices to date, while this
23 number may ultimately be substantially reduced under section 2699(e)(2), Plaintiff will use
24 maximum exposure for purposes of calculating the realistic total recovery.

25 25. Class certification was somewhat uncertain given the numerous hurdles necessary
26 under the California Supreme Court decision in *Brinker Restaurant Corp. v. Superior Court*.
27 Plaintiffs also considered Defendants’ arguments that subsequent decisions citing and relying on
28 the U.S. Supreme Court decision in *Wal-Mart v. Dukes*, 564 U.S. 338 (2011) arguably made it

1 more difficult to certify a class in this case based upon the need to demonstrate that common
2 issues are superior and could be dealt with in “one stroke” and that the “trial by formula” (*Duran*
3 *v. U.S. Bank* (2014) 59 Cal.4th 1172) could not satisfy such requirements based upon due process
4 grounds. However, Plaintiff disagreed that the subsequent decisions citing *Walmart*, applied to
5 the facts in this case. Additionally, Plaintiff believes the cases denying certification are
6 distinguishable and that the facts in this case are more akin to the facts in cases where certification
7 had been granted, Class Counsel recognize the risk of an adverse finding on certification and
8 considered and weighed this risk in determining to settle and compromise these claims. Lastly,
9 Plaintiffs believe the decisions in *Sav-On Drug Stores, Inc. v Sup. Ct.* (2004) 34 Cal. 4th 319, 340
10 and *Bell v Famers Ins. Exchange*, (2004) 115 Cal. App. 4th 715 provide the applicable framework
11 for class certification trial by formula plans. See also *Duran v. Superior Court*, 2014 Cal. LEXIS
12 5569 (Cal. Aug. 13, 2014).

13 26. Further, beyond the risk of an adverse ruling on the merits or certification, Class
14 Counsel considered the fact that continued litigation would likely take years and would be
15 extremely expensive given the breadth and complexity of the claims. In this case, post-trial and
16 appellate proceedings are likely to occur, which will surely drag the case far into the future even
17 with a positive trial result. When facing a distant and unsure resolution of the allegations in this
18 action, the swift, sure and substantial Settlement is all the more reasonable. Avoiding such costly
19 litigation in favor of more immediate benefits to the Class was a consideration favoring settlement.
20 Given these realities, it is highly likely that the future expense of this litigation, and its likely
21 duration if the settlement is not approved, would be significant and weigh heavily in favor of
22 approval of this settlement.

23 27. Based on the foregoing, Plaintiff’s predicted realistic total recovery for the Class if
24 the matter proceeded through trial would be approximately \$3,837,392.00. As a result, the GSA of
25 \$1,300,000.00 represents approximately 34% of the realistic exposure for the claims at issue. This
26 recovery could easily be much lower if at trial there were no liability, PAGA penalties were
27 reduced or damages for certain Impacted Pay Periods could not be proven for certain individuals.
28 The proposed GSA is within the “ballpark of reasonableness” and should be approved. Counsel

1 for Plaintiff believe that this is a fair and reasonable Settlement in light of the complexities of the
2 case, the state of the law and uncertainties of class certification and litigation, the policies and
3 practices Defendants has had in place or implemented during the purported liability period, and
4 the benefit to be recovered for the Class. Given the risks inherent in litigation, this settlement is
5 fair, adequate, and reasonable and is in the best interests of the Settlement Class, and should be
6 preliminarily approved.

7 28. Based on the estimated Net Settlement Amount of **\$640,000.00**, provides on
8 average each Settlement Class Member with approximately **\$263.00** per Class Member. The
9 highest amount a Settlement Class Member will receive is approximately \$668.60 based upon the
10 employees' Impacted Pay Periods consistent with the annual caps under Labor Code § 246. The
11 lowest payment is estimated to be approximately \$29.07 based upon the employees' Impacted Pay
12 Periods consistent with the annual caps under Labor Code § 246. To the extent any amount for
13 Attorneys' Fees, Costs, Claims Administration Costs or Enhancements are not awarded, the
14 difference in those amounts will be added to the NSA. This is a guaranteed amount of money paid
15 to Settlement Class Members now, rather than the continued risk of further litigation and receiving
16 no money sometime in the far future and after trial and appeals.

17 29. The Class Representative has provided extensive supporting documents and
18 assisted Class Counsel in developing information necessary to litigate and settle this case.
19 Plaintiff also conducted record review and consultation with counsel in preparation for discovery
20 and eventual mediation, and to assist in evaluating and proving the claims. The settlement
21 provides for a Release Payment to be paid to the Class Representative in the amount of
22 \$10,000.00. The purpose is to compensate the Class Representatives an additional enhanced
23 payment, taking into consideration the risks, time, effort and expenses incurred in coming forward
24 to provide invaluable information and negotiate and litigate this matter on behalf of all Settlement
25 Class Members who otherwise, would probably not file their own individual claims to recover
26 what may be relatively low damages. Further, the Payment of \$10,000.00 as a Service
27 Enhancement to the Class Representative is a very fair and justified as part of the Settlement based
28 on the risks Plaintiff has taken and benefits conferred upon the Settlement Class.

1 **CONDITIONAL CERTIFICATION**

2 30. Class certification, as requested by the Parties for the purposes of the settlement
3 only, should be granted because Plaintiff allege that the proposed Settlement Class Members’
4 claims all stem from the same alleged conduct. In addition to compensatory damages, Plaintiff and
5 the Settlement Class seek attorneys’ fees, costs, and interest. Under these specific circumstances,
6 the commonality requirement for class certification is satisfied. The typicality requirement for
7 certification is also met as it is alleged that the Class Representatives and the proposed Settlement
8 Class were subjected to similar violations based upon similar conduct, policies and practices.

9 31. The adequacy requirement for certification is also met. The Class Representative
10 and Class Counsel have prosecuted this action vigorously on behalf of the Settlement Class. The
11 Class Representative will receive a reasonable award for the time and effort spent assisting Class
12 counsel with factual issues surrounding the case. Other than this specific payment to the Class
13 Representative, all of the Settlement Class Members will receive a proportionate share of the NSF,
14 as detailed above provided they do not exclude themselves. Further, all PAGA Members during
15 the PAGA Period will receive their pro rata share of PAGA Penalties. As a result, there is no
16 conflict of interest between the Class Representative and the Settlement Class Members. Further,
17 the NSA will be fairly distributed among Participating Class Members, and no “settlement
18 allocation” questions will be raised.

19 32. Common questions of law and fact predominate over individual questions and
20 class-wide treatment of this dispute is superior to individual litigation. Plaintiff alleges that the
21 proposed Settlement Class in this case is sufficiently cohesive, since all Settlement Class Members
22 share a common nucleus of facts and potential legal remedies, and since all of the Settlement Class
23 Members and the Class Representatives seek compensation for unpaid wages and other civil and
24 statutory penalties from Defendants for the allegations described in the Complaints. Common
25 questions about compensation or lack thereof for work performed by Settlement Class Members
26 and the Settlement Class Members’ potential legal remedies are identical. The alternative method
27 of resolution is individual claims for relatively small amounts of damages, but individual cases
28 would be uneconomical for potential plaintiffs because the cost of litigation dwarfs potential

1 recovery. Therefore, a class action is the preferred method of resolution.

2 33. The class notice plan here calls for the Settlement ILYM Group Inc., to mail a
3 Notice of Proposed Class Action Settlement and Opt Out Form to all known and reasonably
4 ascertainable Settlement Class Members based on Defendants' records. Further, the Settlement
5 Administrator will conduct a skip-trace and use all reasonable efforts to locate Settlement Class
6 Members and will re-mail all returned envelopes with forwarding addresses. The notice is
7 consistent with the class certification notices approved by numerous state and federal courts, and
8 is the best notice practicable under circumstances of this case. The proposed Settlement Class
9 Members are ascertainable because all of the Settlement Class Members have worked for
10 Defendant during the Class Period and can be identified through Defendants' records.

11 34. The Notice also fulfills the neutrality requirement. It summarizes the proceedings
12 to date and the terms and conditions of the Settlement in an informative and coherent manner, and
13 is accurate, objective, and understandable to Settlement Class Members, as is required under
14 prevailing precedent. The Notice clearly states the Settlement does not constitute an admission of
15 liability by Defendant and recognizes the Court has not ruled on the merits. It also states the final
16 settlement approval decision has yet to be made. The Notice also clearly instructs the Settlement
17 Class Members on how to object or exclude themselves from the Settlement. Therefore,
18 Settlement Class Members will have the option to participate or exclude themselves simply by
19 mailing the Opt Out Form. The Settlement Class consists of non-exempt employees who speak
20 English. Thus, the Notice of Class Action and Exclusion Form are drafted in a manner that is
21 likely to be readily understood by the Settlement Class. Accordingly, the Notice complies with
22 the standards of fairness, completeness and neutrality required of a Notice of Class Action
23 Settlement. The Notice therefore is neutral, objective and understandable.

24 **CLASS COUNSEL EXPERIENCE**

25 35. I have a great deal of experience in wage and hour class action litigation. I have
26 obtained certification of several classes, I have been approved as class counsel in many other
27 wage/hour class actions, and I am currently litigating numerous others. Although not an all
28 inclusive list, over the years I have prosecuted the following class action matters as lead and/or co-

1 lead counsel, all of which implicated similar law and facts to those associated with this action:

2 a. *Aguilar v. 7-Eleven, Inc.*, et. al., Orange County Superior Court- Case No.: 30-
3 2009-00268714-CU-OE-CXC. Certified Wage and Hour Class action seeking premium
4 wages for meal period and rest periods and resultant penalties. Class
5 Notice pending.

6 b. *Carey, et. al. v. Arthur J. Gallagher, et. al.*, USDC, SOUTHERN DISTRICT- Case
7 No.: 09-cv-0168. Wage and Hour Class action seeking past wages of overtime for mis-
8 classification of insurance claims adjusters employed by Gallagher Bassett, a third
9 party administrator (TPA) in the State of California. Certification granted. Plaintiffs'
10 counsel co-lead counsel. Case settled, Final Approval granted, no objections and funds
11 fully distributed.

12 c. *Dao v. 3M Company*, et al. USDC, CENTRAL DISTRICT, Case No. CV-08-
13 04554. Wage and Hour Class Action case seeking past wages for "off the clock",
14 overtime and meal and rest break violations for production workers in the State of
15 California. Plaintiffs' Counsel appointed as Lead Counsel. Case settled, Final
16 Approval granted, no objections and funds fully distributed.

17 d. *Ortiz v. Kmart*, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
18 Wage and Hour Class Action case seeking past wages for meal and rest period
19 violations for retail employees in the State of California. Plaintiffs' counsel appointed
20 co-lead counsel. Case settled, Final Approval granted, no objections and funds fully
21 distributed.

22 e. *Morgan v. Aramark Campus, LLC*, USDC, CENTRAL DISTRICT, Case No.
23 SACV08-00412. Wage and Hour Class Action case seeking past wages for meal and
24 rest period violations for retail employees in the State of California. Plaintiffs'
25 Counsel appointed as Lead Counsel. Case settled, Final Approval granted, no
26 objections and funds fully distributed.

27 f. *West v Iron Mountain Information Management, Inc, et. al.*; Los Angeles County
28 Superior Court, Case No. BC393709. Wage and Hour Class Action seeking past

1 wages for overtime, meal and rest break violations for driver employees in the State of
2 California. Settlement for “binding arbitration.” Arbitration Award for Plaintiff Class.
3 Arbitration Award confirmed. Plaintiffs’ counsel, lead trial counsel and class counsel.
4 g. *Gonzalez v. Superior Industries Inter, Inc., et al.*, Los Angeles County Superior
5 Court, Case No. BC 357912. Wage and Hour Class Action seeking past wages for
6 overtime, meal and rest breaks violations for production employees in the State of
7 California. Plaintiffs’ counsel appointed as lead counsel. Case settled, Final Approval
8 granted, no objections and funds fully distributed.

9 h. *Acosta v. Fleetwood Travel Trailers of California, Inc.*, et al., Riverside County
10 Superior Court, Case No. RIC 440630. Wage and Hour Class Action seeking past
11 wages for overtime, meal and rest break violations for production employees in the
12 State of California. Plaintiffs’ counsel appointed as co-lead counsel. Case settled,
13 Final Approval granted, no objections and funds fully distributed.

14 i. *Walker v. Sharkeez, et al.*, Orange County Superior Court, Case No. 05CC00293.
15 Wage and Hour Class Action seeking past wages for unlawful deductions, meal and
16 rest break violations for restaurant employees in the State of California. Plaintiffs’
17 counsel appointed as lead counsel. Case settled, Final Approval granted and funds
18 fully distributed.

19 j. *Padron v. Universal Protection Service, et al*, Orange County Superior Court, Case
20 No. 05CC00013. Wage and Hour Class Action seeking past wages for overtime, meal
21 and rest break violations for security officers in the State of California. Plaintiffs’
22 counsel appointed as co-lead counsel. Case settled, Final Approval granted, no
23 objections and funds fully distributed.

24 k. *Martinez v. Securitas Security Services USA*, et al., Santa Clara Superior Court,
25 Case No. 105-CV047499, et al. J.C.C.P. No. 4460. Wage and Hour Class Action
26 seeking past wages for meal and rest break violations for security officers employed by
27 defendant in the State of California. Plaintiffs’ counsel and co-counsel. Case settled,
28 Final Approval granted and funds fully distributed.

1. *Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*, Riverside Superior Court, Case No. RIC 420909. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for housekeepers employed by defendant in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

m. *Ruiz, et al. v. Unisource Worldwide, Inc., et al.*, USDC, CENTRAL DISTRICT, Case No. CV09-05848. Wage and Hour Class Action seeking past wages for meal and rest period violations for non-exempt employees employed by defendant in the state of California. Case settled. Awaiting Preliminary Approval hearing. Plaintiff has petitioned the Court for Lead Counsel.

n. *Herrador v. Culligan International Company, et al.*, USDC, CENTRAL DISTRICT, Case No. SACV 08-680. Wage and Hour Class Action seeking past wages for field and branch employees of defendant in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled and awaiting Final Approval.

o. *Defries v. Domain Restaurants, et al.*, Orange County Superior Court, Case No. 05CC00128. Wage and Hour Class Action seeking past wages for restaurant employees of defendant in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

p. *Denton v. BLB Enterprises, Inc., et al.*, Orange County Superior Court, Case No. 07CC01292. Wage and Hour Class Action seeking unpaid overtime, meal and rest break violations for security guards employed by defendant in the State of California. Plaintiffs' counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

q. *Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.*, Los Angeles Superior Court, Case No. BC411477. Wage and Hour Class Action seeking unpaid meal and rest break violations for production employees employed by defendant in the State of California. Plaintiff counsel appointed as lead counsel. Case settled, Final Approval

1 granted, no objections and funds fully distributed.

2 r. *McMurray v. Dave and Busters, Inc.*, et al., Orange County Superior Court, Case
3 No. 06CC00099. Wage and Hour Class Action seeking past wages for meal and rest
4 break violations for restaurant employees employed by defendant in the State of
5 California. Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final
6 Approval granted, no objections and funds fully distributed.

7 s. *Osuna v. DFG Restaurants, Inc.*, et al., Los Angeles Superior Court, Case No. BC
8 330145. Wage and Hour Class Action seeking past wages of overtime for mis-
9 classification of managers employed by Defendant, DBA Carl's Jrs. in the State of
10 California. Plaintiffs' counsel appointed as co-lead counsel. Case settled, Final
11 Approval granted, no objections and funds fully distributed.

12 t. *Burns v. Gymboree Operations, Inc.*, et al., San Francisco Superior Court, Case No.
13 CGC-07-461612. Wage and Hour Class Action seeking past wages for meal and rest
14 break violations for retail employees employed by defendant in the State of California.
15 Plaintiffs' counsel appointed lead counsel. Case settled, Final Approval granted, no
16 objections and funds fully distributed.

17 u. *Willems v. Diedrich Coffee, Inc.*, et al., Orange County Superior Court, Case No.
18 07CC00015. Wage and Hour Class Action seeking past wages of overtime for mis-
19 classification of managers employed by Defendant in the State of California.
20 Plaintiffs' counsel appointed lead counsel. Case settled, Final Approval granted, no
21 objections and funds fully distributed.

22 v. *Davila, et al. v. Beckman Coulter, Inc.*, et al., Orange County Superior Court, Case
23 No. 07CC01347. Wage and Hour Class Action seeking past wages for overtime, meal
24 and rest break violations for production workers employed by defendant in the State of
25 California. Plaintiffs' counsel appointed lead counsel. Cased settled; final approval
26 granted; no objections and funds fully distributed.

27 w. *Perez v. Naked Juice Company of Glendora, Inc.*, Los Angeles Superior Court,
28 Case No. BC387088. Wage and Hour Class Action seeking past wages for overtime,

1 meal and rest period violations for production employees employed by defendant in the
2 State of California. Plaintiff counsel appointed as lead counsel. Case settled, Final
3 Approval granted, no objections and funds fully distributed.

4 36. Here, the Parties' agreement to pay Class Counsel Fees of 35% (i.e. \$455,000.00)
5 of the GSA is reasonable. My firm and I have been the only counsel to represent Plaintiff and the
6 Settlement Class in this matter, and we have borne the entire risk and cost of this litigation on a
7 pure contingency fee basis. The legal issues raised drew significantly upon my experience and the
8 extensive review and analysis of documents and information by me and others at my firm. In a
9 complex action such as this, the proposed attorneys' fees are, at the very least, on the low side of
10 the market rate for contingency fees.

11 37. At this juncture, with the addition of more hours due to the administration of the
12 Settlement by Class Counsel, administration of the Settlement, and preparation for final approval,
13 counsel for plaintiff will provide a detailed analysis of its time in advance of the final approval
14 hearing. Plaintiff's counsel a motion for final approval in accordance with the terms of the
15 settlement agreement.

16 38. Despite the complexity of the case, Class Counsel has, through the investment of
17 substantial effort and the resources of my law firm been able to secure an outstanding settlement
18 on behalf of the Settlement Class. Plaintiff would have faced substantial legal and factual
19 obstacles in demonstrating that class certification was appropriate. Plaintiff would also have been
20 required to establish a significant amount of witness testimony, pattern and practice evidence,
21 statistical evidence, sampling evidence, expert testimony, and other evidence in order to present
22 their case both at the class certification stage and trial. Defendant vigorously contested liability,
23 the amount of claimed damages, and the propriety of class certification, and would have continued
24 to do so through trial. Accordingly, I believe the Settlement to be fair, reasonable, and adequate
25 and in the best interests of the Settlement Class. The fairness and adequacy of the Settlement is
26 confirmed by all known facts and circumstances, including the risk of significant delay and
27 uncertainty associated with litigation, the various defenses asserted by Defendant, and numerous
28 potential appellate issues.

1 39. This Motion for Preliminary Approval of Class And PAGA Action Settlement
2 along with the Settlement Agreement and Notice have been filed and served on the LWDA.

3 I declare under penalty of perjury that the foregoing is true and correct. Executed on
4 February 10, 2025 at Irvine, California.

5 
6 James R. Hawkins

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Exhibit 1

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Attorneys for Defendant Sunbelt Rentals, Inc.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

RONALD MEJIA, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

SUNBELT RENTALS, INC., a North Carolina
Corporation; and DOES 1-10, inclusive,

DEFENDANT.

CASE NO.:
22STCV10099 (LEAD)
Complaint Filed: March 23, 2022
22STCV17704
Complaint Filed: May 31, 2022

CASE ASSIGNED TO:
Hon. William F. Highberger
Dept. 10 (Spring Street)

**CLASS AND PAGA ACTION
SETTLEMENT AGREEMENT**

ADDITIONAL COUNSEL

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Attorneys for Defendant Sunbelt Rentals, Inc.

This Class and PAGA Action Settlement Agreement (“Agreement”) is made by and between Plaintiff Ronald Mejia (“Plaintiff” or “Mejia”), individually and on behalf of all members of the Class (defined below) and Defendant Sunbelt Rentals, Inc. (“Defendant” or “Sunbelt”) (collectively “the Parties”) regarding the Civil Action (defined below).

THE SETTLEMENT

1. Subject to the Court’s approval pursuant to Section 382 of the California Code of Civil Procedure and Rule 3.769 of the California Rules of Court, Plaintiff and Defendant have agreed to settle the Civil Action upon the terms and conditions and for the consideration set forth in this Agreement.

2. A summary of the terms of the Agreement is as follows:

- The Parties agree that this is a non-claims made, non-reversionary settlement.
- Defendant shall pay a settlement amount of One Million Three Hundred Thousand Dollars and No Cents (\$1,300,000.00), referred to herein as the Gross Settlement Amount, which shall be inclusive of all Individual Settlement Payments to Settlement Class Members, attorneys’ fees and expenses (fees not to exceed 35% of the Gross Settlement Amount, and costs not to exceed \$30,000) to be paid to Class Counsel, any Class Representative Enhancement Award, settlement administration costs and expenses, and any and all penalty amounts to be paid regardless of the recipient. Defendant, however, understands and agrees that it shall also pay its share of employer-side payroll taxes in addition to the Gross Settlement Amount. In no event shall any portion of the Gross Settlement Amount revert to Defendant.
- The Class consists of “all current and former non-exempt employees of Sunbelt in California who were paid Paid Time Off (“PTO”) (as denoted on an employee’s paystub with the pay code, “PTO”) at any time from March 23, 2018 through July 28, 2024.”
- All Settlement Class Members shall receive an Individual Settlement Payment in accordance with paragraph 69 of this Agreement.

- The Settlement Administrator shall be [Phoenix Settlement Administrators]. From the Gross Settlement Amount, settlement administration fees in a reasonable amount shall be paid to the Settlement Administrator. Settlement administration fees are estimated to be approximately \$35,000.00. If the actual cost of settlement administration is less or more than the amount approved by the Court, those funds shall be added to or subtracted from the Net Settlement Amount.
- From the Gross Settlement Amount, Mejia may seek from the Court an Enhancement Award up to Ten Thousand Dollars and No Cents (\$10,000), which Defendant shall not oppose.
- Class Counsel may seek attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount (which is currently estimated at \$455,000) and reasonable costs of up to Thirty Thousand Dollars and No Cents (\$30,000), which Defendant shall not oppose.
- The Parties shall allocate One Hundred Thirty Thousand Dollars and No Cents (\$130,000) as penalties pursuant to the Private Attorneys General Act (the "PAGA"), 75% of which, or Ninety-Seven Thousand Five Hundred Dollars and No Cents (\$97,500) shall be paid to the Labor Workforce Development Agency (the "LWDA") and 25% of which, or Thirty-Two Thousand Five Hundred Dollars and No Cents (\$32,500) shall be allocated to the Aggrieved Employees.

DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth below:

3. "Aggrieved Employee" means all current and former non-exempt employees of Sunbelt in California who were paid Paid Time Off ("PTO") (as denoted on an employee's paystub with the pay code, "PTO") at any time during the PAGA Period.

4. "Civil Action" means the actions of *Mejia v. Sunbelt Rentals, Inc.*, Los Angeles County Superior Court, Case No. 22STCV10099 (the "Class Action") and *Mejia v. Sunbelt Rentals, Inc.*, Los

Angeles County Superior Court, Case No. 22STCV17704 (the “PAGA Action”).

5. “Class,” “Classes,” “Class Member,” or “Class Members” means all current and former non-exempt employees of Sunbelt in California who were paid Paid Time Off (“PTO”) (as denoted on an employee’s paystub with the pay code, “PTO”) at any time during the Class Period. Defendant represents that the Class is comprised of approximately 2,433 individuals during the Class Period.

6. “Class Counsel” means James R. Hawkins, Gregory Mauro, Michael Calvo, Lauren Falk, and Ava Issary of James Hawkins APLC.

7. “Class Period” means between March 23, 2018 through July 28, 2024.

8. “Class Representative” or “Plaintiff” means Plaintiff Ronald Mejia.

9. “Complaints” mean the operative pleadings filed in the Class Action, styled as *Mejia v. Sunbelt Rentals, Inc.*, Los Angeles County Superior Court, Case No. 22STCV10099, and the PAGA Action, styled *Mejia v. Sunbelt Rentals, Inc.*, Los Angeles County Superior Court, Case No. 22STCV17704.

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

11. “Defendant” means Defendant Sunbelt Rentals, Inc.

12. “Defense Counsel” means Patrick J. Cain, Theodore H. Dokko, and Yash B. Dave of Smith, Gambrell & Russell, LLP

13. “Effective Date” means the first date upon which all of the following events have occurred:

- (i) this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel;
- (ii) the Court has preliminarily approved the Settlement;
- (iii) notice has been properly given to Class Members, providing them an opportunity to participate in the settlement, object to the settlement, or to opt out of the settlement;
- (iv) the Court has held a Final Fairness and Approval Hearing and entered a Final Order and Judgment approving the Settlement; and

(iv) the latest of the following: (a) in the event that no objections and/or motions to intervene are filed by the time of the Final Fairness and Approval Hearing, the date of Court's granting of final approval; (b) in the event that an objection and/or motion to intervene is filed, but no appeal is filed, then sixty (60) days after the entry of the Final Order and Judgment; or, (c) if an appeal is filed, upon the final dismissal and/or resolution of the appeal, writ or other appellate proceeding opposing this Agreement. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement has become completely final, and there is no timely recourse by an appellant or objector who seeks to contest the Settlement.

14. "Enhancement Award" means the payment to the Class Representative for his service to the Class and his Released Claims as set forth in paragraph 81, which is in addition to whatever payments they may otherwise be entitled to as a Settlement Class Member.

15. "Final Fairness and Approval Hearing" means the hearing to be requested by Plaintiff and conducted by the Court after the filing by Plaintiff of an appropriate motion and following appropriate notice to Class Members giving Class Members an opportunity to opt out from the Class and Settlement or to object to the Settlement, at which time Plaintiff shall request that the Court finally approve the fairness, reasonableness and adequacy of the terms and conditions of the Settlement, enter the Final Order and Judgment, and take other appropriate action.

16. "Final Order and Judgment" means the order and judgment to be entered by the Court upon granting final approval of the Settlement and this Agreement as binding upon the Parties and the Settlement Class Members who do not properly and timely submit a written Opt Out.

17. "Stipulation to Consolidate" means the Stipulation to Consolidate that the Parties filed, which consolidated the PAGA Action into the Class Action in order to effectuate this Settlement.

18. "Gross Settlement Amount" or "GSA" means the total maximum amount that Defendant shall be required to pay under this Agreement, which shall be inclusive of all Individual Settlement Payments to Settlement Class Members, Individual Settlement Payment to Aggrieved Employees, attorneys' fees and litigation costs, Settlement Administration Costs, the LWDA's penalty amount, and

Enhancement Award to the Class Representative, and all penalty amounts to be paid regardless of the recipient. The Gross Settlement Amount is One Million Three Hundred Thousand Dollars and No Cents (\$1,300,000). Again, this GSA does not include Defendant's share of employer-side payroll taxes, which shall be paid in addition to the GSA.

19. "Impacted Pay Periods" means those pay periods where a Class Member and/or Aggrieved Employee was paid "PTO" (as denoted on the paystub with the pay code, "PTO", of each Class Member and/or Aggrieved Employee) during the Class and PAGA Periods based on Defendant's records; provided the allocation of Impacted Pay Periods shall be subject to the following annual caps:

- (i) For each calendar years from 2018 through 2023, each class member (individually) shall be entitled to a maximum of three (3) Impacted Pay Periods; and
- (ii) For calendar year 2024, each class member (individually) shall be entitled to a maximum of five (5) Impacted Pay Periods.

20. "Individual Settlement Payment to Aggrieved Employees" means the gross amount that shall be paid to each Aggrieved Employee for their number of Impacted Pay Periods during the PAGA Period. The Individual Settlement Payment to each Aggrieved Employee shall be determined as described in paragraph 69 below.

21. "Individual Settlement Payment to Settlement Class Members" means the gross amount that shall be paid to each Settlement Class Member for their number of Impacted Pay Periods during the Class Period. The Individual Settlement Payment to Settlement Class Members shall be determined as described in paragraph 69 below.

22. "Net Settlement Amount" means the amount of money remaining after all attorneys' fees and litigation costs, Settlement Administration Costs, Enhancement Award to the Class Representative, the PAGA Penalty allocated to Aggrieved Employees, and LWDA penalty amounts have been deducted from the Gross Settlement Amount.

23. "Notice of Class Action Settlement" or "Notice" means the form attached hereto as **Exhibit 1**.

24. "Objection" means a Class Member's written objection to the Settlement.

25. "Opt Out" means a written request that a Class Member may submit to be excluded from

the Class and the Settlement. Opt Out shall not apply to Aggrieved Employees who shall receive the PAGA Penalty regardless of whether they opt out and shall still be bound by the release of Released PAGA Claims.

26. "PAGA Penalty" means the amount set aside to resolve the PAGA claims in the amount of One Hundred Thirty Thousand Dollars and No Cents (\$130,000), 75% of which, or Ninety-Seven Thousand Five Hundred Dollars and No Cents (\$97,500) shall be paid to the Labor Workforce Development Agency (the "LWDA") and 25% of which, or Thirty-Two Thousand Five Hundred Dollars and No Cents (\$32,500) shall be allocated to the Aggrieved Employees.

27. "PAGA Period" means May 31, 2021 through July 28, 2024.

28. "Party" or "Parties" means Plaintiff and Defendant.

29. "Preliminary Approval Order" means the order to be issued by the Court approving and authorizing the mailing of the Notice of Class Action Settlement by the Settlement Administrator, setting the date of the Final Fairness and Approval Hearing and granting preliminary approval of the Settlement set forth in this Stipulation.

30. "Proof of Work" means document(s) that a Class Member may submit to the Settlement Administrator to show that they are entitled to payment based upon a different number of Impacted Pay Periods, subject to the applicable annual caps identified herein, than the number(s) calculated by the Settlement Administrator based upon Defendant's data. Adequacy of the Proof of Work submitted will be evaluated by Class Counsel, Defense Counsel, and the Settlement Administrator. In the event of a disagreement, the Settlement Administrator will make the final decision.

31. "Released Class Claims" are defined in paragraph 86 below.

32. "Released Parties" means Defendant Sunbelt Rentals, Inc. and each of its present and former parents, owners, subsidiaries and any affiliated or related persons or entities and each of their respective officers, directors, employees, partners, shareholders, attorneys and agents and any other successors, assigns or legal representative and any individual or entity that could be jointly liable for any and all claims alleged in the Complaints and/or Civil Action.

33. "Response Deadline" means the thirty (30) calendar day period following the date the Settlement Administrator mails the Notice of Class Action Settlement to Class Members within which

any Class Member may: (a) submit a written Opt Out to be excluded from the Class and this Settlement; (b) submit an Objection; and/or (c) submit a dispute regarding their Impacted Pay Periods and any Proof of Work. For purposes of this definition, the term “submit” refers to the date by which the correspondence is postmarked and received by the Settlement Administrator. All Opt Outs and Objections must be submitted on or before the end of the Response Deadline or within the extended deadline for certain Class Members only as expressly described in paragraph 54(i).

34. “Settlement” means the final and complete disposition of the Civil Action as provided for in this Agreement and all Exhibits hereto.

35. “Settlement Administrator” means [Phoenix Settlement Administrators].

36. “Settlement Administration Costs” means the reasonable costs and fees of administration of this Settlement to be paid to the Settlement Administrator from the Gross Settlement Amount, including, but not limited to: (i) printing and emailing and mailing and re-mailing (if necessary) of Notices of Class Action Settlement to Class Members; (ii) preparing and submitting to Settlement Class Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Settlement Payments, Class Representative Service Award, and Class Counsel Attorneys’ Fees, Costs and Expenses; (v) processing and validating Opt Outs; and (iv) preparing and submitting filings required by law in connection with the payments required by the Settlement.

37. “Settlement Class Members” means Plaintiff and all other Class Members who do not submit a timely and valid Opt Out under the process described in paragraph 57.

38. “Impacted Pay Period Payment Rate” means the gross amount that shall be paid for each Impacted Pay Period as described below in paragraph 69.

BACKGROUND

39. On March 23, 2022, Mejia filed a putative class action against Sunbelt in the Superior Court for the County of Los Angeles. In his Class Action Complaint, Mejia alleges causes of action for (1) Failure to Pay Overtime and Minimum Wages under Labor Code §§ 510 and 1194; (2) Failure to Provide Meal Periods as Required by Labor Code §§ 226.7, 512 and IWC Wage Order; (3) Failure to Provide Rest Periods as Required by Labor Code §§ 226.7, 512; (4) Failure to Pay Timely Wages Under

1 Labor Code § 203; (5) Failure to Provide Accurate Itemized Wage Statements as Required by Labor
2 Code § 226; (6) Failure to Accurately Record and Pay Sick Leave as Required by Labor Code § 246;
3 and (7) Violation of Business and Professions §17200, *et seq.*

4 40. On May 31, 2022, Mejia filed his PAGA Complaint against Sunbelt, also in Superior
5 Court for the County of Los Angeles. Mejia seeks to recover civil penalties for violations of Labor Code
6 sections 201-203, 226, 226.3, 226.7, 246, 510, 512, 558, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198,
7 and 2802.

8 41. The Court found that the two cases were related within the meaning of California Rules
9 of Court, Rule 3.300(a), making the Class Action the lead case.

10 42. Defendant denies each of the allegations of the Civil Action, that Defendant has any
11 liability for the claims of Plaintiff, the putative class he purports to represent or any allegedly aggrieved
12 employee, and denies that Plaintiff, the putative class he purports to represent or any allegedly aggrieved
13 employee is entitled to any relief.

14 43. Class Counsel and Defense Counsel have extensive experience in litigating wage and
15 hour class actions in California. Class Counsel and Defense Counsel have vigorously litigated the Civil
16 Action since its inception.

17 44. On June 11, 2024, Mejia and Sunbelt participated in mediation to reach a global class
18 settlement of the Class and PAGA Actions. While the parties were not successful in resolving the
19 Lawsuits during the mediation, subsequent negotiations facilitated by mediator Kristin Rizzo have
20 resulted in the following agreements. The Parties agreed to consolidate the Class and PAGA Actions for
21 purposes of settlement and reached the following resolution which, subject to Court approval, is
22 intended to be the full and final resolution of the Class and PAGA Actions.

23 45. This Agreement is made in compromise of and embraces all claims against any of the
24 Released Parties as enumerated in paragraphs 86-88 below.

25 46. Because the settled matters are putative class and representative actions, this Agreement
26 must receive preliminary and final approval by the Court. Accordingly, the Parties enter into this
27 Agreement on a conditional basis. Should the Court, or any other court taking jurisdiction of this matter,
28 decline to approve all material aspects of the Settlement or make any ruling substantially altering the

material terms of the Settlement, the Settlement shall be voidable and unenforceable as to Plaintiff and Defendant, at the option of either party. Subject to the requirements of the immediately preceding sentence, either party may exercise its option to void this Settlement by giving notice, in writing, to the other Party and to the Court at any time before final approval by the Court of this Settlement. In the event that the Effective Date, as defined herein does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose. Defendant denies all of Plaintiff's claims and all class claims as to liability and damages. Defendant expressly reserves all rights to challenge any and all such claims and allegations upon all procedural and factual grounds, including the assertion of all defenses, if the Effective Date of the Settlement does not occur. Likewise, Plaintiff expressly reserve all rights to pursue, amend, dismiss or otherwise dispose of the claims covered under this Settlement, including but not limited to seeking damages, restitution, fees, expenses, interest and/or any other monetary amount in excess of the GSA set forth above for the claims included in the Civil Actions or for any other claims Plaintiff may have against Defendant, in the event the Effective Date of the Settlement does not occur.

47. Plaintiff and Class Counsel have concluded, after taking into account the disputed factual and legal issues involved in the Civil Action, the risks attending further prosecution, and the substantial benefits to be received pursuant to settlement as set forth in this Agreement, that settlement on the terms set forth herein is in the best interest of Plaintiff and the Class, and is fair and reasonable.

48. Similarly, Defendant has concluded, after taking into account the disputed factual and legal issues involved in the Civil Action, the risks and expense attending further litigation, and its desire to put the controversy to rest, that settlement on the terms set forth herein is in its best interest and is fair and reasonable.

49. This Settlement contemplates (i) entry of an order preliminarily approving the Settlement, (ii) distribution of the Notice of Class Action Settlement to Class Members, (iii) entry of a Final Order and Judgment of the Settlement, and (iv) dismissal of Plaintiff's remaining individual claims as alleged in the Civil Action with prejudice. The Court shall retain jurisdiction over the Civil Action and Parties for purposes of enforcing the Settlement and resolving any disputes relating to the Settlement.

SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE

Preliminary Approval of Settlement

50. As soon as practicable, Class Counsel shall submit this Agreement to the Court for its preliminary approval. Plaintiff shall also move the Court to enter a Preliminary Approval Order and to conditionally certify the Class for purposes of this Settlement only. Class Counsel shall provide the motion for preliminary approval to Defense Counsel for review of the substance contained in the motion for preliminary approval at least five (5) business days prior to filing. The submission shall also include admissible evidence as may be required for the Court to determine that this Settlement is fair, adequate and reasonable, as required by Code of Civil Procedure Section 382. The submission shall also include the Notice of Class Action Settlement in the form attached hereto as **Exhibit 1**, a proposed order granting preliminary approval of Settlement, which shall, among other things, set a Final Fairness and Approval Hearing date, and a proposed order granting final approval of Settlement. Plaintiff and Defendant agree that the conditional certification of the Class for settlement purposes only is in no way an admission by any of the Released Parties that class certification would otherwise be proper.

51. As soon as practicable after this Agreement is signed by all Parties, the Parties shall file a Joint Stipulation to Consolidate Actions in this Civil Action adding the PAGA Action to the Class Action, for purposes of facilitating this Settlement and Agreement, if such stipulation was not previously filed.

Notice to Class Members

52. Following the Court's order consolidating the Civil Action and granting preliminary approval of this Settlement, the Settlement Administrator shall disseminate the Notice of Class Action Settlement in the form attached hereto as **Exhibit 1** to the Class Members in accordance with paragraph 54.

Cooperation

53. The Parties agree to cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, the timely execution of such documents and such other acts as may be reasonably necessary to implement the terms of this Settlement. Neither the Parties nor any of their attorneys or agents shall solicit or encourage any Class Members to exclude or not exclude themselves

from the Settlement or to object or not object to the Settlement. The Parties to the Settlement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set forth herein.

Notice of Class Action Settlement by Mail

54. The Settlement Administrator shall, within thirty (30) calendar days of the date of the Preliminary Approval Order, mail by First-Class United States mail the Notice of Class Action Settlement to each Class Member (hereinafter "Notice"), using the most recent address available to the Settlement Administrator for mail delivery, after updating provided addresses using the National Change of Address Database. The Settlement Administrator shall also, within ten (10) calendar days of mailing the Notice, send an electronic copy of the Notice via email to the last known email addresses (to the extent available) of each Class Member.

(i) Any Notice returned to the Settlement Administrator as non-delivered on or before the Response Deadline with a forwarding address from the U.S. postal service shall be promptly re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by the use of skip-tracing, or other automated search, and shall then promptly perform a re-mailing to the Class Member whose Notice was returned as non-delivered, assuming another mailing address is identified by the Settlement Administrator. A letter prepared by the Settlement Administrator will be included in the re-mailed Notice in that instance, stating that the recipient of the Notice has until the original deadline set forth on the Notice, or ten (10) calendar days after the date of re-mailing of the Notice (whichever is later) to object or submit an Opt Out or submit Proof of Work. In no event shall this be more than ten (10) calendar days after the Response Deadline.

(ii) If these procedures are followed, notice to Class Members shall be deemed

to have been fully satisfied, and if the intended recipient does not receive the Notice of Class Action Settlement, the intended recipient shall nevertheless remain a Class Member and shall be bound by all terms of the Settlement and the Final Order and Judgment.

55. The Notice of Class Action Settlement to be provided to each Class Member and/or Aggrieved Employee shall set forth (1) the number of Impacted Pay Periods applicable to the Class Member and/or Aggrieved Employee, (2) the estimated Impacted Pay Period Payment Rate applicable to the Class Member and/or Aggrieved Employee, and (3) the estimated Individual Settlement Payment that the Class Member and/or Aggrieved Employee shall receive under this Settlement if the Court grants final approval of the Settlement.

56. If the Class Member wishes to contest the number of Impacted Pay Periods assigned to him or her by the Settlement Administrator, the Class Member or his or her authorized representative in the case of the individual's death or incapacity must timely provide his or her dispute with Proof of Work to the Settlement Administrator. To be timely, the completed Proof of Work must be mailed to the Settlement Administrator and postmarked and received on or before the Response Deadline. As this is not a claims-made Settlement and Class Members need not return the optional Proof of Work, Class Members shall be bound by this Agreement unless they submit a completed, signed and timely Opt Out.

Opt Out

57. Any Class Member seeking to be excluded from the Class and this Settlement shall submit a written Opt Out to the Settlement Administrator. The written Opt Out must: (1) contain the name, address, and phone number of the person requesting exclusion; (2) state the Class Member's request to exclude himself or herself from the Settlement and to opt out of the Class; (3) be signed by the Class Member or his or her lawful representative; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. Any Class Member, who submits a completed, signed and timely written Opt Out shall no longer be a member of the Class, shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement, and shall not receive the class portion of the Individual Settlement Payment. Any untimely or incomplete Opt Out shall be considered null and void. If a Class Member submits both a completed, signed and timely Proof

of Work and a completed, signed and timely Opt Out, and if the Opt Out was submitted before the Proof of Work, then the Opt Out shall be deemed invalid, and the Class Member shall be a Settlement Class Member and participate in this Settlement. In addition to the weekly updates identified in paragraph 59, the Settlement Administrator shall notify Class Counsel and Defense Counsel of the final number of timely opt-outs, disputes, and objections within seven (7) calendar days of the Response Deadline. Each Class Member who fails to file a timely written Opt Out shall release Released Parties of the Released Class Claims as set forth in paragraph 86 below. Aggrieved Employees, however, may not opt out of this Settlement and shall receive their portion of the PAGA Penalty regardless of whether they opt out and they shall still be bound by the release of Released PAGA Claims.

58. Defendant shall, in its sole discretion, have the option to rescind this Agreement in its entirety by providing written notice of such rescission to Class Counsel within fourteen (14) calendar days after notification from the Settlement Administrator of the number of Class Members who have timely submitted completed, signed and timely Opt Outs. In the event of such rescission, Defendant shall be entitled to the return of any portion of the Gross Settlement Amount (including all interest earned thereon), less only such costs incurred by the Settlement Administrator in administering this Settlement up through the date of rescission.

59. Defendant represents that there are approximately 22,016 Impacted Pay Periods for the Settlement Class during the Class Period after the annual caps are applied. If the number of Impacted Pay Periods is more than 10% greater than the 22,016 estimate after the annual caps are applied, the Gross Settlement Amount will increase on a pro-rata basis equal to the increase in Impacted Pay Periods over 22,016; provided, however, in the event the actual number of Impacted Pay Periods are more than 15% greater than the 22,016 estimate after the annual caps are applied, then Defendant shall, in its sole discretion, have the option to rescind this Agreement in its entirety by providing written notice of such rescission to Class Counsel within fifteen (15) calendar days of receiving notification from Class Counsel of the actual number of Impacted Pay Periods.

Declaration of Compliance

60. As soon as practicable, but no later than ten (10) business days following the Response Deadline, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a

1 declaration attesting to completion of the notice process set forth in this Agreement, the number and
2 names of opt outs, and a summary of any disputes raised by any Class Members. This declaration shall
3 be filed with the Court by Class Counsel along with a motion requesting final approval of the Settlement
4 within ten (10) business days of receipt of the declaration by Class Counsel. The Settlement
5 Administrator shall also provide weekly updates to Class Counsel and Defense Counsel regarding the
6 opt outs, disputes, and objections.

7 **Sufficient Notice**

8 61. The Parties agree that compliance with the procedures described in this Agreement
9 constitutes due and sufficient notice to Class Members of this Settlement and the Final Fairness and
10 Approval Hearing, and satisfies the requirements of due process, and that nothing else shall be required
11 of Plaintiff, Class Counsel, Defendant, Defense Counsel, or the Settlement Administrator to provide
12 notice to Class Members of the Settlement and the Final Fairness and Approval Hearing.

13 **Objections to Settlement**

14 62. Any Class Member wishing to object to this Settlement shall inform the Court, Class
15 Counsel, and Defense Counsel in writing of their intent to object by following the procedure set forth in
16 the Notice of Class Action Settlement no later than the Response Deadline. Any Objection must: (1)
17 state the Class Member's full name, address, and phone number; (2) state the grounds for the objection;
18 (3) be signed by the Class Member or their lawful representative; and (4) be postmarked on or before the
19 Response Deadline.

20 63. Any Class Member who fails to file a timely written Objection shall be foreclosed from
21 objecting to this Settlement, unless otherwise ordered by the Court.

22 64. Class Counsel and Defense Counsel shall file any responses to any written Objections
23 submitted to the Court in accordance with this Agreement within fourteen (14) calendar days of receipt
24 of the objection, or in no event, later than three (3) calendar days before the Final Fairness and Approval
25 Hearing, or on another date set by the Court.

26 65. Class Counsel shall file a motion for final approval within ten (10) business days of
27 receipt of the declaration identified in paragraph 60 by Class Counsel. Class Counsel shall provide the
28 motion for final approval to Defense Counsel for review of the substance contained in the motion for

final approval at least three (3) business days prior to filing.

Final Fairness and Approval Hearing

66. On the date set forth by the Court for the Final Fairness and Approval Hearing in the Preliminary Approval Order, a Final Fairness and Approval Hearing shall be held before the Court in order to consider and determine: (1) whether the Court should give this Settlement final approval; (2) whether the Court should approve Class Counsel's application for attorneys' fees, costs and expenses and Enhancement Award to the Class Representative; and (3) to hear any timely objections to the Settlement. At the Final Fairness and Approval Hearing, Plaintiff, Class Counsel, Defendant, and Defense Counsel shall ask the Court to give final approval to this Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator shall post notice of final judgment on its website within seven (7) calendar days of entry of the Final Order and Judgment.

Settlement Payment Procedures

Payments under this Agreement shall be made by the Settlement Administrator as follows:

67. Settlement Class Members and Aggrieved Employees shall be paid exclusively from the Net Settlement Amount.

68. Plaintiff and Defendant recognize and agree that the asserted claims in the Civil Action are extremely difficult to quantify with any certainty for any given year, or at all, and are subject to a myriad of differing calculations and formulas. Plaintiff and Defendant agree that the formulas for allocating Individual Settlement Payment to Settlement Class Members and Aggrieved Employees provided herein are reasonable and that the Individual Settlement Payments are designed to provide a fair settlement, despite the uncertainties of the amounts alleged to be owed to Settlement Class Members and Aggrieved Employees and the calculation of the same. Distribution amongst Settlement Class Members and Aggrieved Employees are based on the number of Impacted Pay Periods possessed by the Class Member and Aggrieved Employee, subject to applicable annual caps, during the Class and PAGA Period, respectively. Plaintiff and Defendant have agreed that the distribution to each Settlement Class Member and Aggrieved Employee shall be determined as set forth in paragraph 69 below.

69. The Individual Settlement Payment to each Settlement Class Member shall be determined based on the number of Impacted Pay Periods of the Settlement Class Member, subject to applicable

1 annual caps, during the Class Period. The Net Settlement Amount shall be divided by the total number
2 of Impacted Pay Periods for all Settlement Class Members, subject to applicable annual caps, during the
3 Class Period. The result of this division shall yield an Impacted Pay Period Payment Rate for the Class.
4 The gross amount of each Settlement Class Member's Individual Settlement Payment shall be calculated
5 by multiplying the number of Impacted Pay Periods applicable to that Class Member by the Impacted
6 Pay Period Payment Rate. Likewise, the Individual Settlement Payment to each Aggrieved Employee
7 shall be determined based on the number of Impacted Pay Periods of the Aggrieved Employee, subject
8 to applicable annual caps, during the PAGA Period. The 25% portion of the PAGA Penalty, or \$32,500,
9 shall be divided by the total number of Impacted Pay Periods of all Aggrieved Employees, subject to
10 applicable annual caps, during the PAGA Period. The result of this division shall yield an Impacted Pay
11 Period Payment Rate for the Aggrieved Employee. The gross amount of each Aggrieved Employee's
12 Individual Settlement Payment shall be calculated by multiplying the number of Impacted Pay Periods
13 applicable to that Aggrieved Employee by the Impacted Pay Period Payment Rate. Aggrieved
14 Employees shall receive their portion of the PAGA Penalty regardless of whether they opt-out and they
15 shall still be bound by the release of Released PAGA Claims.

16 70. Within thirty (30) calendar days after the Effective Date, Defendant shall transmit the
17 Gross Settlement Amount to the Settlement Administrator.

18 71. Within twenty-one (21) calendar days after the Effective Date, the Settlement
19 Administrator shall transmit to Class Counsel the attorneys' fees, costs and expenses approved by the
20 Court, shall transmit to the Class Representative his Enhancement Award approved by the Court, shall
21 mail Individual Settlement Payments to each Settlement Class Member, Individual Settlement Payments
22 to Aggrieved Employee, and the LWDA's penalty payment of \$97,500.

23 72. Individual Settlement Payments shall be made by check and shall be made payable to
24 each Settlement Class Member and/or Aggrieved Employee as set forth in this Agreement. Under no
25 circumstances shall the Settlement Administrator distribute checks to Settlement Class Members and/or
26 Aggrieved Employee until all timely Impacted Pay Period disputes with Proof of Work have been
27 considered, calculated, and accounted for, and the Class Counsel fees and expenses, costs of the
28 Settlement Administrator, and an Enhancement Award have been calculated and accounted for.

73. The Individual Settlement Payments are payments for all Released Class Claims for the Settlement Class Members and Released PAGA Claims for the Aggrieved Employees. The Settlement Administrator shall be authorized to establish an interest bearing Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and regulations in which the Gross Settlement Amount shall be placed and from which payments required by the Settlement shall be made. Each Individual Settlement Payment to each Settlement Class Member shall be allocated as 70% penalties and interest not subject to withholdings and 30% wages subject to withholdings. Each Individual Settlement Payment to each Aggrieved Employee shall be allocated as 100% penalties. The wage portions shall be reported on an IRS Form W-2 and the non-wage portions shall be reported on an IRS Form 1099. Defendant understands and agrees that it shall also pay its share of employer-side payroll taxes for the wage portions in addition to the Gross Settlement Amount. Each Settlement Class Member, Aggrieved Employee, Class Counsel, and Class Representative shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the non-wage portion of any payment received pursuant to this Agreement, except as provided by this Agreement.

74. It is expressly understood and agreed that the receipt of an Individual Settlement Payment shall not entitle any Class Member and/or Aggrieved Employee to compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the applicable Class and/or PAGA Period, nor shall it entitle any Class Member and/or Aggrieved Employee to any increased retirement, 401(k) or matching benefits, or deferred compensation benefits. The Parties agree that any Individual Settlement Payments made to Settlement Class Members and/or Aggrieved Employees under the terms of this Agreement shall not represent any modification of previously credited length of service or other eligibility criteria under any bonus plan, employee pension benefit plan or employee welfare plan sponsored by any of the Released Parties, or to which any of the Released Parties are required to make contributions. Further, any Individual Settlement Payments made under this Agreement shall not be considered compensation in any year for purposes of determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by any of the Released Parties or to which any of the Released Parties are required to make contributions. It is the Parties' intent that the Individual Settlement Payments provided for in the

Agreement are the sole payments to be made by Defendant to the Class Members and/or Aggrieved Employees, and that the Class Members and/or Aggrieved Employees are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments, notwithstanding any contrary terms in any agreement, contract, benefit or compensation plan document that might have been in effect during the applicable Class and/or PAGA Period.

75. Any settlement amount for checks sent to class members that are not cashed within 180 days of date of mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, in the name of the Class Member or Aggrieved Employee to whom the check was issued, until such time that they claim their property. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts or omissions or commission, the same is true for the Settlement Administrator.

The Settlement Administrator

76. The Settlement Administrator shall administer the Settlement, including, but not limited to: (1) printing, mailing and re-mailing (if necessary), and emailing, the Notice and receiving Opt Outs and Objections from Class Members; (2) preparing and maintaining a web site for the settlement administration of this matter which includes of the substance in the Notice; (3) preparing and submitting to Settlement Class Members and/or Aggrieved Employees and government entities all appropriate tax filings and forms; (4) computing the amount of and distributing Individual Settlement Payments, Enhancement Award, and Class Counsel attorneys' fees and costs; (5) processing and validating Impacted Pay Period disputes/Proof of Work, Opt Outs and Objections; and (6) establishing a Qualified Settlement Fund, as defined by the Internal Revenue Code;

77. Settlement administration fees in a reasonable amount shall be paid to the Settlement Administrator from the Gross Settlement Amount. Settlement administration fees are estimated to be approximately Thirty-Five Thousand Dollars (\$35,000). If the actual cost of settlement administration is less or more than the amount approved by the Court, those funds shall be added to or subtracted from the Net Settlement Amount for allocation to Settlement Class Members. All costs associated with settlement administration shall come out of the Gross Settlement Amount.

1 78. **Delivery of Class Data.** “Class Data” means a complete list of all Class Members that
2 Defendant will diligently and in good faith compile from their records. The Class Data shall include the
3 following information from Defendant’s records all to the extent available: (1) each Class Member’s
4 Sunbelt Employee ID, (2) each Class Member’s full name, (3) most recent mailing address, (4) social
5 security number, (5) most recent e-mail address, and (6) the number of Impacted Pay Periods for each
6 Class Member and Aggrieved Employee during the Class and PAGA Periods, respectively. Defendant
7 shall provide the Settlement Administrator with the Class Data no later than fifteen (15) business days
8 after the Preliminary Approval Order. The Class Data shall only be used by the Settlement
9 Administrator for the purpose of calculating Impacted Pay Periods, Individual Settlement Payments and
10 notifying Class Members of the Settlement. The Class Data applicable to an individual Class Member
11 (*i.e.*, Sunbelt Employee ID, full name, most recent mailing address, e-mail address, and Impacted Pay
12 Periods) shall be disclosed to Class Counsel if that individual Class Member contacts Class Counsel
13 regarding their Impacted Pay Periods, estimated Individual Settlement Payments, or related issues with
14 the settlement, but only as necessary to allow them to fulfill their fiduciary duties to the Class and
15 investigate issues that may arise with respect to payments to be made to Class Members, so long as
16 notice is provided to Defendant by the Settlement Administrator and Class Counsel. Notwithstanding,
17 the Class Data in its entirety shall not be disclosed to the Class Representative, or any other Class
18 Members, without written consent of Defendant or by order of the Court. However, concurrent with the
19 mailing of the Notice of Class Action Settlement, the Settlement Administrator shall provide Class
20 Counsel and Defense Counsel with a redacted list of all Class Members that shall be limited to the
21 following information: (1) Sunbelt Employee ID (as reflected on the respective Class Member’s Notice);
22 and (2) Total Impacted Pay Periods and estimated Individual Settlement Payment. The Settlement
23 Administrator shall be responsible for following all privacy laws and taking appropriate steps to ensure
24 that Class Members’ personal information is safeguarded and protected from improper disclosure or use.
25 The Settlement Administrator shall run the Class Data list through the National Change of Address
26 database, and shall use the most recent address for each Class Member – either from Defendant’s
27 records or the National Change of Address database – before mailing the Notice of Class Action
28 Settlement. The Settlement Administrator shall also take reasonable steps to locate any Class Member

whose Notice of Class Action Settlement is thereafter returned as undeliverable. Class Data shall be provided in a secure format to be determined by the Settlement Administrator and Defendant.

Resolution of Disputes Over Impacted Pay Periods

79. In calculating the Individual Settlement Payment for each Class Member and/or Aggrieved Employee, Defendant's records regarding the dates of employment used to generate Impacted Pay Periods shall be presumed to be correct. Any Class Member or Aggrieved Employee who disagrees with Defendant's determination of his or her or its Impacted Pay Periods as indicated on his or her or its Notice of Class Action Settlement may dispute that calculation to the Settlement Administrator as explained on the Notice of Class Action Settlement. Defendant's determination shall be presumed accurate unless the Class Member or Aggrieved Employee submits documents to the Settlement Administrator to show that he or she is entitled to payment based upon a different number of Impacted Pay Periods than the number(s) calculated by the Settlement Administrator based upon Defendant's data. Adequacy of Proof of Work submitted will be evaluated by Class Counsel, Defense Counsel, and Settlement Administrator. In the event of a disagreement, the Settlement Administrator shall make the final decision. All such challenges by Class Members or Aggrieved Employee must be received no later than the Response Deadline. If Impacted Pay Periods for any Class Member or Aggrieved Employee increases based on the Proof of Work then the Individual Settlement Payments for Settlement Class Members and Aggrieved Employees shall be recalculated in accordance with paragraph 69.

80. In no case shall a dispute result in a payment by Defendant in excess of the Gross Settlement Amount. However, Defendant understands and agrees that it shall pay its share of employer-side payroll taxes in addition to the Gross Settlement Amount.

Enhancement Award

81. From the Gross Settlement Amount, the Class Representative may seek approval from the Court of an Enhancement Award up to Ten Thousand Dollars (\$10,000) for serving as Class Representatives, which Defendant shall not oppose. In the event the Court reduces or does not approve the requested Enhancement Award, Plaintiff shall not have the right to revoke this Settlement based on that reason, and this Settlement will remain binding. Plaintiff's Enhancement Award shall be paid out of the Gross Settlement Amount. Plaintiff's Enhancement Award shall be reported on an IRS 1099 Form.

Payment of Class Counsel Attorneys' Fees, Costs and Expenses

82. Class Counsel shall apply to the Court at the Final Fairness and Approval Hearing for an award of attorneys' fees not to exceed 35% of the Gross Settlement Amount (currently estimated at \$455,000) and an award of reasonable costs (exclusive of the Settlement Administration costs) not to exceed the amount of Thirty Thousand Dollars (\$30,000), both of which shall be paid out of the Gross Settlement Amount.

83. Class Counsel and Defendant agree that such awards of attorneys' fees and costs are reasonable under the circumstances. Nothing in this Agreement shall restrict Plaintiff or Class Counsel's ability to appeal any decision by the Court to award less than the requested attorneys' fees and costs or Class Representative Enhancement Award. A decision by the Court to award less than the requested attorneys' fees and costs or Class Representative Enhancement Award; however, is not a material change to the settlement agreement. Any order relating to the award of attorney's fees, costs or Class Representatives Enhancement Award, or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement; however, the Effective Date shall not occur until any such appeal is resolved. If the amount of Enhancement Award, attorneys' fees and/or costs awarded by the Court is less than the requested amounts, the difference shall serve to increase the Net Settlement Amount to be distributed to Settlement Class Members as part of their Individual Settlement Payments. Nothing in this Agreement will require Defendant to pay more than the Gross Settlement Amount under any circumstances.

Acknowledgment of No Tax Advice

84. Each party to this Agreement acknowledges and agrees that:

- (i) No provision of this Agreement and no written communication or disclosure between or among the Parties or their attorneys and other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United State Treasury Department Circular 230 (31 CFR Part 10, as amended);
- (ii) He, she or it (a) has relied exclusively upon his, her or its own, independent legal and tax advisers for advice (including tax advice) in connection with this

Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on him or her or it; and

(iii) No attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by him or her of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

85. The Individual Settlement Payment received by Settlement Class Members and/or Aggrieved Employee shall be reported by the Settlement Administrator, as required, to the state and federal taxing authorities on IRS Forms W-2 and/or 1099 or similar forms. Each Settlement Class Member and/or Aggrieved Employee shall be responsible for paying all applicable state, local, and federal income taxes on all amounts the Settlement Class Member and/or Aggrieved Employee receives pursuant to this Agreement.

RELEASED CLASS CLAIMS

86. **Released Class Claims:** Providing there is final approval of this Settlement, then as of the date on which Defendant fully funds the Settlement ("Release Effective Date"), each Settlement Class Member, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge the Released Parties, and each of them from the Released Class Claims. The Released Class Claims include all claims, rights, demands, liabilities, causes of action, and theories of liability that were or could have been alleged against any of the Released Parties for any and all claims for damages and or penalties under Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, the Private Attorneys General Act ("PAGA"), Labor Code § 2698 *et seq.* premised on Labor Code sections §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, the California Industrial Welfare Commission's ("IWC") Wage Orders, and Business and Professions Code §§ 17200, *et seq.* premised on Labor Code §§201-203, 226, 226.3, 246,

248.5, 510, 558, and 1194, the facts or claims as alleged in the respective Complaints premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, or Mejia's notice submitted to the Labor Workforce Development Agency (the "LWDA") under Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, that accrued at any time during the Class Period. Settlement Class Members understand that this release includes unknown claims premised upon the above-referenced alleged violations and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code with respect to the Released Class Claims. That section provides:

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

With respect to the Released Class Claims released by Settlement Class Members, the scope of the waiver of rights and benefits under Section 1542 of the California Civil Code as set forth in this paragraph is in no way intended by the Parties to extend to any claims beyond the Released Claims; rather, this waiver is intended to apply only to the Released Class Claims. The period of the Release shall mirror the Class Period and shall become effective upon final approval and judgment of the Settlement.

87. **Released PAGA Claims.** Providing there is final approval of this Settlement, then as of the date on which Defendant fully funds the Settlement, each Aggrieved Employee, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge the Released Parties, and each of them from the Released PAGA Claims. Released PAGA Claims include any and all claims for penalties under the Private Attorneys General Act, Labor Code § 2698 *et seq.*, based on the facts or claims as alleged in the respective Complaints premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, or Mejia's notice submitted to the LWDA premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, that accrued at any time during the PAGA Period.

88. **Release by Plaintiff.** In addition to the Released Class Claims and Released PAGA Claims described above, Plaintiff for himself, his successors, assigns, agents, executors, heirs and

1 personal representatives, spouse and attorneys, and any and all of them, voluntarily and with the advice
2 of counsel, waive and release any and all claims, obligations, demands, actions, rights, causes of action,
3 and liabilities against any of the Released Parties of whatever kind and nature, character, and description,
4 whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute,
5 ordinance, regulation, constitution, common law, or other source of law or contract, whether known or
6 unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any
7 and all acts, events and omissions occurring prior to the date of final approval of this Agreement
8 including, but not limited to, all claims pursuant to Americans with Disabilities Act, as amended, 42
9 U.S.C. § 12101, *et seq.*, the Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000(e),
10 *et seq.*, the Equal Pay Act of 1963, 29 U.S.C. § 206(d), the Fair Labor Standards Act, as amended, 29
11 U.S.C. § 203, *et seq.*, the Lilly Ledbetter Fair Pay Act of 2009, the National Labor Relations Act, the
12 Employee Retirement Income Security Act, the Family and Medical Leave Act, as amended, 29 U.S.C.
13 § 2611, *et seq.*, the Occupational Safety and Health Act of 1970, 29 U.S.C. § 553, *et seq.*, the Fair
14 Employment and Housing Act, the California Family Rights Act, California Civil Code §§ 51, 51.7 and
15 52, the UNRUH Civil Rights Act, the California Equal Pay Act, California Labor Code, including but
16 not limited to, Cal. Lab. Code §§ 201-204, 226 *et seq.*, 510, 512, 516, 558, 1194, 1198, 2698 *et seq.*, the
17 anti-retaliation provisions of the California Workers' Compensation Law, discrimination based on local,
18 state or federal laws, constitutions, regulations, ordinances or executive orders for race, color, sex
19 (including sexual harassment), national origin, ancestry, religion, sexual orientation, marital status,
20 parental status, veteran status, source of income, entitlement to benefits or any union activities in
21 violation of local, state or federal laws, constitutions, regulations, ordinances or executive orders, any
22 claim for alleged violation of public policy or common law (including claims for: personal injury,
23 invasion of privacy, retaliatory discharge, negligent hiring, retention or supervision, defamation,
24 intentional interference with contract, negligence, detrimental reliance, loss of consortium to Plaintiff or
25 any member of his family and/or promissory estoppel), or any federal, state, or other governmental
26 statute, regulation or ordinance including any and all claims for monetary recovery, including past or
27 future lost wages, pension accruals, liquidated, compensatory, or punitive damages, which relate in any
28 way to Plaintiff's employment with or the termination of Plaintiff's employment with the Released

Parties and/or Plaintiff⁵ provision of services to the Released Parties at any of Defendant's locations during the Class Period (the "Released Claims"). Plaintiff further release all unknown claims against any of the Released Parties, covered by California Civil Code Section 1542, which states: **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."** Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all of their Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims which Plaintiff does not know or suspect to exist in his favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims.

LIMITATIONS ON USE OF THIS SETTLEMENT

No Admission

89. Neither the acceptance nor the performance by Defendant of the terms of this Agreement nor any of the related negotiations or proceedings are or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendant of the truth of any allegations in the Complaint.

Non-Evidentiary Use

90. Defendant denies that it has failed to comply with the law in any respect, or has any liability to anyone based on the claims asserted in the Civil Action. Plaintiff expressly acknowledges that this Agreement is entered into for the purpose of compromising highly disputed claims and that nothing herein is an admission of liability, wrongdoing, or the propriety of class or representative treatment by Defendant. Neither this Agreement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by Defendant. Notwithstanding this paragraph, any and all provisions of this Agreement may be admitted in evidence and used in any proceeding to enforce the terms of this Agreement, or in defense of any claims released or barred by this Agreement. In the event that an action is brought to enforce any terms of this Agreement, the prevailing party shall be entitled to their reasonable attorneys' fees and costs.

91. This Agreement, the Settlement, and any proceedings or actions or negotiations in

1 connection therewith shall be deemed settlement communications covered by California Evidence Code
2 Sections 1152 and 1154, Federal Rule of Evidence 408, and any other similar provisions or law, and
3 shall not be construed as an admission of truth of any allegation or the validity of any cause of action or
4 claim asserted or of any liability therein.

5 **Nullification**

6 92. If the Court for any reason does not approve this Settlement, this Agreement shall be
7 considered null and void and the Parties to this Agreement shall stand in the same position, without
8 prejudice, as if the Agreement had been neither entered into nor filed with the Court.

9 93. Invalidation of any material portion of this Agreement shall invalidate this Agreement in
10 its entirety unless the Parties agree in writing that the remaining provisions shall remain in full force and
11 effect.

12 **MISCELLANEOUS PROVISIONS**

13 **No Inducements**

14 94. Plaintiff and Defendant acknowledge that they are entering into this Settlement as a free
15 and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever, and
16 that neither Plaintiff nor Defendant have relied on any promises, representations or warranties regarding
17 the subject matter hereof other than as set forth in this Agreement.

18 **No Prior Assignment**

19 95. The Parties represent, covenant, and warrant that they have not directly or indirectly,
20 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity
21 any portion of any liability, claim, demand, action, cause of action or rights herein released and
22 discharged except as set forth herein.

23 **Construction**

24 96. The Parties agree that the terms and conditions of this Agreement are the result of lengthy,
25 intensive arm's-length negotiations between the Parties and their counsel, and this Agreement shall not
26 be construed in favor of or against any Party by reason of the extent to which any Party or his or its
27 counsel participated in the drafting of this Agreement.

28 **California Law**

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1 respective heirs, trustees, executors, administrators, successors and assigns.

2 **No Prevailing Party**

3 104. No Party shall be considered a prevailing party for any purpose. Except as otherwise
4 provided for in this Agreement, each Party shall bear its or his own attorney fees and costs.

5 **Class Counsel Signatories**

6 105. It is agreed that because the members of the Class are numerous, it is impossible or
7 impractical to have each member of the Class execute this Agreement. The Notice of Class Action
8 Settlement shall advise all Class Members of the binding nature of the Agreement, and the Agreement
9 shall have the same force and effect as if this Agreement were executed by each member of the Class.

10 **Counterparts**

11 106. This Agreement, and any amendments hereto, may be executed in any number of
12 counterparts, each of which when executed and delivered shall be deemed to be an original and all of
13 which taken together shall constitute but one and the same instrument. DocuSign, fax and pdf signatures
14 shall be as valid as original signatures.

15 **Waiver of Right to Object**

16 107. By signing this Agreement, Plaintiff, individually and on behalf of the Class, agree to be
17 bound by its terms. Likewise, Defendant agrees to be bound by the terms of this Settlement and agrees
18 not to object to any of the terms of the Agreement.

19 **Administration Costs if Settlement Fails**

20 108. Except as otherwise provided in this Agreement, if the Settlement is not finally approved
21 by the Court, voided or rescinded, any costs incurred by the Settlement Administrator shall be paid
22 equally by the Parties (half by Plaintiff and half by Defendant).

23 **Final Order and Judgment**

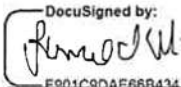
24 109. Upon final approval of the Settlement, a Final Order and Judgment shall be entered by
25 the Court which shall, among other things:

- 26 (i) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith
27 and in the best interests of the Class as a whole, and order the Parties to carry out
28 the provisions of this Agreement.

- (ii) Adjudge that the Settlement Class Members of the Settlement are conclusively deemed to have released the Released Parties from the applicable Released Class Claims, as more specifically set forth above.
- (iii) Prohibit and permanently enjoin each Settlement Class Member of the Settlement from pursuing in any fashion against any of the Released Parties any and all of the applicable Released Class Claims.
- (iv) Dismiss with Prejudice Plaintiff's remaining individual claims as alleged in the Civil Action.
- (v) Reserve continuing jurisdiction as provided herein.

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

DATED: 1/13/2025

DocuSigned by:

E901C9DAE66B434
RONALD MEJIA

DATED: 1/17/2025


SUNBELT RENTALS, INC.
By: **Brandon Crainer**

APPROVED AS TO FORM AND CONTENT:

DATED: 01/13/2025

JAMES HAWKINS APLC
By 
James R. Hawkins
Gregory Mauro
Michael Calvo
Lauren Falk
Ava Issary
Attorneys for Plaintiff Ronald Mejia

1 DATED: 01/17/2025

SMITH, GAMBRELL & RUSSELL, LLP

2
3 By:



Patrick J. Cain
Theodore H. Dokko
Yash B. Dave
Attorneys for Defendant
Sunbelt Rentals, Inc.

SB_Mejia - 2025.1.13 - Class Settlement Agreement (Final)(72313742.1)

Final Audit Report

2025-01-17

Created:	2025-01-17
By:	Brandon Crainer (brandon.crainer@sunbeltrentals.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-UC76YZp8-0BKQqZWxZ3ByvXZBhOhAtE

"SB_Mejia - 2025.1.13 - Class Settlement Agreement (Final)(72313742.1)" History

-  Document created by Brandon Crainer (brandon.crainer@sunbeltrentals.com)
2025-01-17 - 9:37:36 PM GMT- IP address: 170.85.57.18
-  Document emailed to Brandon Crainer (brandon.crainer@sunbeltrentals.com) for signature
2025-01-17 - 9:43:01 PM GMT
-  Document e-signed by Brandon Crainer (brandon.crainer@sunbeltrentals.com)
Signature Date: 2025-01-17 - 9:43:46 PM GMT - Time Source: server- IP address: 170.85.57.18
-  Agreement completed.
2025-01-17 - 9:43:46 PM GMT

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Exhibit A

Mejia v. Sunbelt Rentals, Inc.
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
(CASE NO. 22STCV10099)

NOTICE OF CLASS ACTION SETTLEMENT

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

YOU ARE ESTIMATED TO RECEIVE
APPROXIMATELY
\$«MERGED_EstSettAmnt_CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

**IF YOU WANT TO RECEIVE MONEY FROM THE SETTLEMENT, YOU DO NOT NEED TO DO
ANYTHING**

**The Los Angeles County Superior Court authorized this notice.
This is not an advertisement or solicitation from a lawyer.**

- Ronald Mejia (“Mejia” or “Plaintiff”), a former employee, has sued Sunbelt Rentals, Inc. (“Defendant,” or “Sunbelt”) on behalf of himself and all other similarly situated employees (the “Action”);
- The parties to the Action have reached a tentative settlement, which the Court has preliminarily approved;
- If you are or were employed by Sunbelt in California as a non-exempt employee and were paid Paid Time Off (“PTO”) (as denoted on your paystub as PTO) at any time from March 23, 2018 through July 28, 2024, you are eligible to receive payment from this class settlement.
- The settlement will resolve the Action.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

You Can DO NOTHING	You will automatically receive a payment from the settlement. If you do nothing, you will still be part of the Action and affected by its outcome. You will be entitled to the Individual Settlement Payment, which is estimated and indicated above. You will also be bound by the settlement, including the release of claims detailed below. To receive your payment, you only need to ensure that the Administrator has your current mailing address. Once the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you.
You Can ASK TO BE EXCLUDED FROM THE SETTLEMENT (Deadline: _____, 2025)	If you <u>do not</u> wish to take part in the settlement, you may exclude yourself by sending to the Administrator a letter in accordance with Question 11 below. If you ask to be excluded from the settlement, you will get no payment from the class settlement, but you will keep any rights to sue Defendant separately about the same class claims made in this lawsuit. <u>IMPORTANT: YOU CANNOT ASK TO BE EXCLUDED AND STILL GET A INDIVIDUAL SETTLEMENT PAYMENT.</u>

	However, you <u>cannot</u> opt-out of the settlement of the representative claims under the Private Attorneys General Act (the “PAGA”). You will receive your portion of the PAGA Penalty regardless of whether you opt-out and you will release the PAGA Released Claims as discussed below.
You Can OBJECT TO THE SETTLEMENT (Deadline: _____, 2025)	If you feel that the settlement is inadequate, you must file an objection with the court and mail your objection to the Administrator by ****, 2025, as well as file your objection with the Court. You may also object by appearing at the final approval hearing. If your objection is overruled by the Court, you will still receive a payment from the settlement, and you will be bound by the terms of this settlement. IF YOU OBJECT TO THE SETTLEMENT, YOU CANNOT ALSO ASK TO BE EXCLUDED.

THESE RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this case and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. What is this lawsuit about?

Plaintiff, as an individual and on behalf of Sunbelt’s current and former non-exempt, California employees, alleges that Sunbelt violated California law because of its alleged failure to, among other things: (1) pay all overtime wages due; (2) record and pay sick leave; and (3) provide accurate wage statements. Plaintiff also contends that Sunbelt engaged in unlawful business practices and is liable for civil penalties under the PAGA.

Sunbelt denies that it has done anything wrong. Sunbelt denies that it owes Class Members or Aggrieved Employees any wages, penalties, or other damages. Accordingly, the settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Sunbelt, which expressly denies all liability.

If you are still employed by Sunbelt, your decision about whether to participate in the settlement will not affect your employment. California law and Sunbelt’s company policies strictly prohibit unlawful retaliation. Sunbelt will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Class Member or Aggrieved Employee because of their decision to either participate or not participate in the settlement.

2. Who are the Attorneys?

Attorneys for Plaintiff / the Class Members: JAMES HAWKINS APLC James R. Hawkins, Esq. Gregory Mauro, Esq. Michael Calvo, Esq. Lauren Falk, Esq.	Attorneys for Sunbelt: SMITH, GAMBRELL & RUSSELL LLP Yash B. Dave, Esq. 50 N. Laura Street, Suite 2600 Jacksonville, FL 32202
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Ava Issary, Esq. 9880 Research Drive, Suite 200 Irvine, CA 92618 Tel.: (949) 387-7200 Fax: (949) 387-6676 Email: James@jameshawkinsaplc.com Email: Greg@jameshawkinsaplc.com Email: Michael@jameshawkinsaplc.com Email: Lauren@jameshawkinsaplc.com Email: Ava@jameshawkinsaplc.com	Tel: (904) 598-6100; Fax: (904) 598-6240 Email: ydave@sgrlaw.com Patrick J. Cain, Esq. Theodore H. Dokko, Esq. 444 South Flower Street, Suite 1700 Los Angeles, CA 90071 Tel: (213) 358-7200; Fax: (213) 358-7300 Email: pcain@sgrlaw.com Email: tdokko@sgrlaw.com
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3. Why Is This a Class Action?

This case is a class action. In a class action, one or more people, called Class Representatives (in this case Mejia), sue on behalf of people who have similar claims. All these people are a Class or Class Members. One case resolves the issues for all Class Members, except for those who exclude themselves from the Class. The Los Angeles County Superior Court is in charge of the case. The Action is called *Mejia v. Sunbelt Rentals, Inc.*, Case No. 22STCV10099.

4. Why is There a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. The parties participated in a mediation with Kristin Rizzo, an experienced and well-respected class action mediator. With Ms. Rizzo's guidance, the parties were able to negotiate a complete settlement of Plaintiff's individual and class claims. Counsel for Plaintiff and the Class ("Class Counsel") have investigated and researched the facts and circumstances underlying the issues raised in the Action and the applicable law. While Class Counsel believes that the claims alleged in the lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on this, Class Counsel believes the proposed settlement is fair, adequate and reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the Action and believes that it has valid defenses to Plaintiff's claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the Action or that the case can or should proceed as a class action. Defendant has agreed to settle the Action as part of a compromise with Plaintiff.

5. How Do I Know If I Am Part of The Settlement?

The Court has decided that all current and former non-exempt employees of Sunbelt in California who were paid PTO (as denoted on an employee's paystub) at any time from March 23, 2018 through July 28, 2024 ("Class Period"), are part of the Class. Class Members who participate in this settlement will receive an Individual Settlement Payment

The Court has further decided that if you fit within the above definition for the time period May 31, 2021 through July 28, 2024 ("PAGA Period"), you are an Aggrieved Employee and will receive your proportionate

share of the PAGA Penalty.

6. What Does the Settlement Provide?

The proposed Settlement provides for a cash payment by Defendant of \$1,300,000.00 to fully and finally resolve all claims in the Action (the “Gross Settlement Amount”). The total amount to be distributed to Class Members who do not exclude themselves from the settlement will be the value of the Gross Settlement Amount after deducting for the following (the “Net Settlement Amount”): (a) Settlement Administrator Costs not to exceed \$35,000.00; (b) Enhancement Award to Plaintiff not to exceed \$10,000.00, for his work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this Action was not favorable) and a general release of all claims; (c) Class Counsel’s attorneys’ fees not to exceed 35% of the Gross Settlement Amount (currently estimated at \$455,000); (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$30,000.00; (e) PAGA Penalty Payments to Aggrieved Employees totaling \$32,500.00; and (f) payment of \$97,500.00 to the Labor and Workforce Development Agency as part of its share of the PAGA Penalty as required by law. **Class Counsel’s attorneys’ fees and costs and Plaintiff’s Service Award remain subject to Court approval.** No portion of the Net Settlement Amount will be returned to Sunbelt under any circumstances.

This settlement is conditioned upon the court entering an order at or following the Final Approval Hearing finally approving the settlement as fair, reasonable, and adequate, and the court’s entry of Judgment.

7. How much will my payment be?

Your estimated share of the settlement is shown above and is based on the number of “Impacted Pay Periods” that you have during the Class and PAGA Periods, subject to the following annual caps: for each calendar years from 2018 through 2023, each Class Member and/or Aggrieved Employee (individually) shall be entitled to a maximum of three (3) Impacted Pay Periods; and for calendar year 2024, each Class Member and/or Aggrieved Employee (individually) shall be entitled to a maximum of five (5) Impacted Pay Periods. The Net Settlement Amount shall be divided by the total number of Impacted Pay Periods for all Settlement Class Members, subject to applicable annual caps, during the Class Period. The result of this division shall yield an Impacted Pay Period Payment Rate for the Class. The gross amount of each Settlement Class Member’s Individual Settlement Payment shall be calculated by multiplying the number of Impacted Pay Periods applicable to that Class Member by the Impacted Pay Period Payment Rate. Likewise, the Individual Settlement Payment to each Aggrieved Employee shall be determined based on the number of Impacted Pay Periods of the Aggrieved Employee, subject to applicable annual caps, during the PAGA Period. The 25% portion of the PAGA Penalty, or \$32,500, shall be divided by the total number of Impacted Pay Periods of all Aggrieved Employees, subject to applicable annual caps, during the PAGA Period. The result of this division shall yield an Impacted Pay Period Payment Rate for the Aggrieved Employee. The gross amount of each Aggrieved Employee’s Individual Settlement Payment shall be calculated by multiplying the number of Impacted Pay Periods applicable to that Aggrieved Employee by the Impacted Pay Period Payment Rate. **Aggrieved Employees shall receive their portion of the PAGA Penalty regardless of whether they opt-out and they shall still be bound by the release of Released PAGA Claims.**

Based on the above formulas, your calculated Impacted Pay Periods in the Class Period, as of this notice, is ****. Your estimated Individual Settlement Payment is \$*****.

[IF APPLICABLE] Your calculated Impacted Pay Periods in the PAGA period, as of this notice, is ****. Your estimated PAGA Penalty Payment is \$*****.

If you disagree with this amount, you can dispute this per Question 9 below. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the settlement. Individual Settlement Payment to Settlement Class Member shall be allocated as 70% penalties and interest not subject to withholdings and 30% wages subject to withholdings. PAGA Penalty Payments to Aggrieved Employee shall be allocated as 100% penalties.

8. How do I get a payment?

To qualify for payment, you do not need to do anything. The Settlement Administrator will mail you a check within about 60 calendar days after the court enters a judgment based on this settlement, but possibly later depending on whether there are any objections and/or appeals of the judgment entered by the court.

To ensure that your payment is not delayed, you should ensure that the Administrator has your current mailing address.

9. What If I Believe that the Calculation of My Settlement Payment Is Incorrect?

If you believe that the calculations outlined in Question 7 are incorrect, you may dispute it by sending a letter to ***** **[ADMINISTRATOR'S ADDRESS]** no later than _____, 2025. Be sure to include your name, address, telephone number, last four digits of your social security number for verification purposes, a statement what and why you are disputing the calculation of your settlement payment, and attaching a copy of any documentation you want to include to support your dispute. Class Counsel, Defendant's Counsel, and the Administrator will evaluate your documentation and/or evidence. The Administrator will decide who is right and its decision will be final.

10. What Am I Giving Up to Get an Individual Settlement Payment?

Unless you request to be excluded from the Settlement, you remain part of the Settlement Class and that means you cannot sue, continue to sue, or be part of any other lawsuit against Sunbelt and each of their present and former parents, affiliates, divisions and subsidiaries, acquired companies, and each of its respective present and former directors, officers, shareholders, agents, representatives, employees, partners, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities and any individual or entity that could be jointly liable with any of the foregoing ("Released Parties"), for the class claims arising in this case during the Class Period. Specifically, you will be giving up or "releasing" the class claims described below:

Released Class Claims: Providing there is final approval of this Settlement, then as of the date on which Defendant fully funds the Settlement ("Release Effective Date"), each Settlement Class Member, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge the Released Parties, and each of them from the Released Class Claims. The Released Class Claims include all claims, rights, demands, liabilities, causes of action, and theories of liability that were or could have been alleged against any of the Released Parties for any and all claims for damages and or penalties under Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, the Private Attorneys General Act ("PAGA"), Labor Code § 2698 *et seq.* premised on Labor Code

sections §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, the California Industrial Welfare Commission's ("IWC") Wage Orders, and Business and Professions Code §§ 17200, *et seq.* premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, the facts or claims as alleged in the respective Complaints premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, or Mejia's notice submitted to the Labor Workforce Development Agency (the "LWDA") under Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, that accrued at any time during the Class Period. Settlement Class Members understand that this release includes unknown claims premised upon the above-referenced alleged violations and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code with respect to the Released Class Claims. That section provides: :

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

With respect to the Released Class Claims released by Settlement Class Members, the scope of the waiver of rights and benefits under Section 1542 of the California Civil Code as set forth in this paragraph is in no way intended by the Parties to extend to any claims beyond the Released Claims; rather, this waiver is intended to apply only to the Released Class Claims. The period of the Release shall mirror the Class Period and shall become effective upon final approval and judgment of the Settlement.

Again, you will release the following PAGA claims against the Released Parties regardless of whether you opt-out:

Released PAGA Claims. Providing there is final approval of this Settlement, then as of the date on which Defendant fully funds the Settlement, each Aggrieved Employee, individually and on behalf of their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully and finally release and discharge the Released Parties, and each of them from the Released PAGA Claims. Released PAGA Claims include any and all claims for penalties under the Private Attorneys General Act, Labor Code § 2698 *et seq.*, based on the facts or claims as alleged in the respective Complaints premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, or Mejia's notice submitted to the LWDA premised on Labor Code §§201-203, 226, 226.3, 246, 248.5, 510, 558, and 1194, that accrued at any time during the PAGA Period.

11. How Do I Exclude Myself from The Settlement?

To exclude yourself from the settlement, you must send a letter mailed to the Administrator at the address below and postmarked by ****, 2025. Your letter must include: (1) your name, address, telephone number, and last four digits of your social security number; (2) expressly state you wish to be excluded from this settlement with language to the effect of "I wish to be excluded from the Class Settlement in the Mejia v. Sunbelt Rentals Case"; and (3) your signature. If your Request for Exclusion does not comply with any of these requirements, it will be rejected and you will remain a settlement class member.

If you ask to be excluded, you will not get the Individual Settlement Payment, and you cannot object to the settlement. You will not be legally bound by the Released Class Claims, above. You may be able to sue (or continue to sue) Defendant in the future. However, even if you ask to be excluded, you will be bound by the

settlement of the PAGA claims and the Released PAGA Claims.

12. If I Don't Exclude Myself, Can I Sue Sunbelt?

If you do not exclude yourself from the settlement, you cannot sue Defendant for any of the claims that this settlement resolves. You must exclude yourself from this case to continue on your own lawsuit. Remember, the exclusion deadline is [REDACTED], 2025. If you do exclude yourself, you may sue, continue to sue, or be part of a different lawsuit against Defendant.

13. How do I object to the Settlement?

If you are a Class Member, you can object to the settlement if you feel that the settlement is not fair. You can give reasons why you think the Court should not approve the settlement. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must: (a) clearly identify the case name and number (as *Mejia v. Sunbelt Rentals, Inc.*, Case No. 22STCV10099); (b) contain your name, address, and telephone number and; (c) state all legal and factual grounds for your objection; (d) be filed with the Superior Court of California, County of Los Angeles, 312 North Spring Street, Los Angeles, CA 90012 (e) be signed by your and/or your legal representative; (f) be mailed to the Settlement Administrator at ****; and (d) be filed and postmarked on or before [REDACTED], 2025. If your objection does not comply with these requirements, you may not be permitted to raise any objections unless the Court permits you to do so.

14. What Is the Difference Between Objecting And Excluding?

Objecting is telling the court that you believe that the terms of the settlement are not fair. You can object only if you stay in the Class. Excluding yourself is telling the court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement, if it is approved by the court.

You should not submit both an objection and request for exclusion. If you both exclude yourself from the settlement and object to it, your exclusion will be deemed valid and your objection will not be considered.

15. Do I have a lawyer in this case?

The court decided that Plaintiff's Counsel are qualified to represent you and all Class Members. This law firm is referred to as "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense. Class Counsel's information is as follows:

JAMES HAWKINS APLC

James R. Hawkins, Esq.

Gregory Mauro, Esq.

Michael Calvo, Esq.

Lauren Falk, Esq.

Ava Issary, Esq.

9880 Research Drive, Suite 200

Irvine, CA 92618

Tel.: (949) 387-7200

Fax: (949) 387-6676

Email: James@jameshawkinsaplc.com

Email: Greg@jameshawkinsaplc.com

Email: Michael@jameshawkinsaplc.com
Email: Lauren@jameshawkinsaplc.com
Email: Ava@jameshawkinsaplc.com

You may contact Plaintiff's Counsel or the Settlement Administrator (see section 18 below) if you have questions regarding this settlement.

16. How Will the Attorneys For The Class and Class Representative Be Paid?

Class Counsel will be up to 35% of the Gross Settlement Amount (currently estimated at \$455,000.00). Class Counsel will ask for actual litigation costs incurred not to exceed \$30,000.00, the actual amount of which will be determined by the Court at the Final Approval Hearing (see section 17 below for details). Class Members (like you) do not have to pay the fees and costs of Class Counsel. **If you elect, however, to hire your own lawyer, you have to make your own arrangements to compensate your lawyer.**

If approved by the Court, an Enhancement Award for Plaintiff up to \$10,000.00 will be paid from the Gross Settlement Amount for her service and in exchange for a general release.

17. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

You are hereby notified that a Final Approval Hearing will be held before the Honorable William F. Highberger, on _____, 2025 at _____ a.m., in Department 10 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012, to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be finally approved by the Court. The Court may adjourn or continue the hearing from time to time, without further notification to you, as the Court may direct.

Once final approval is granted by the Court, the Court will enter judgment against Defendant, and all Class Members who have not requested exclusion will be deemed to have waived and released the Released Class and PAGA Claims. You are not required to attend the Final Approval Hearing, but you are welcome to do so.

18. How Do I Get More Information?

This notice summarizes the proposed settlement. You can get more information on the Administrator's website at *****.

WHAT IF I HAVE QUESTIONS?

If you have any questions about the Settlement, you may contact the Settlement Administrator:

Mejia v. Sunbelt Rentals, Inc.,
c/o [Settlement Administrator]
Address
City, CA, Zip
Toll-Free Phone Number: [insert]

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