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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

JOEY LEON, individually and on behalf of
all others similarly situated,

Plaintiffs,

v.

TTX COMPANY; and DOES 1 through
20, inclusive,

Defendants.

Case No. CIVSB2228412

*Assigned for All Purposes to:
Judge Joseph T. Ortiz
Dept. S17*

**DECLARATION OF KRISTY R. CONNOLLY
IN SUPPORT OF MOTION FOR APPROVAL
OF PAGA SETTLEMENT**

1 I, Kristy R. Connolly, declare as follows:

2 1. I am an attorney licensed to practice law in the State of California. I am an associate
3 at Aegis Law Firm, PC (“Aegis”) and the attorney of record for Plaintiff Joey Leon (“Plaintiff”).
4 The following facts are within my personal knowledge and if called as a witness, I could and would
5 competently testify thereto.

6 2. I submit this Declaration in support of Plaintiff’s Motion for Approval of Private
7 Attorneys General Act Representative Action Settlement.

8 3. On March 17, 2022, Plaintiff’s counsel sent a letter to the California Labor &
9 Workforce Development Agency (“LWDA”) via online submission and to Defendant TTX Company
10 (“Defendant”) via certified mail regarding Defendant’s alleged violations. The LWDA did not respond
11 to this notice within 65 days, indicating it did not intend to investigate, thus allowing Plaintiff to file
12 the instant lawsuit pursuant to Labor Code Section 2699.3(a)(2)(A).

13 4. On March 18, 2022 Plaintiff filed his Complaint as a class action lawsuit, alleging
14 that, Defendant failed to: (1) pay minimum wages, (2) pay overtime wages, (3) provide lawful meal
15 periods or compensation in lieu thereof, (4) authorize or permit lawful rest breaks or provide
16 compensation in lieu thereof, (5) reimburse class members for necessary business expenses, (6)
17 provide accurate itemized wage statements, (7) timely pay all wages during employment, (8) pay all
18 wages timely upon separation of employment and, (9) abide by the requirements of California
19 Business and Professions Code Section 17200 *et seq.* On May 25, 2022, Defendant removed the action
20 to the United States District Court. While in federal court, Defendant presented Plaintiff with an
21 arbitration agreement that Plaintiff allegedly signed. Accordingly, Plaintiff dismissed his class
22 complaint.

23 5. On April 6, 2023, Plaintiff filed this action alleging a single cause of action for
24 Enforcement of the Private Attorneys General Act (“PAGA”). Defendant contended that Plaintiff’s
25 individual PAGA claims are subject to arbitration and that Plaintiff’s representative PAGA claims
26 were subject to dismissal. The Parties agreed to stay the action pending the California Supreme Court’s
27 ruling in *Adolph v. Uber Technologies, Inc.*, Case No. S27467, which was anticipated to address the
28

1 questions of law of whether a plaintiff who has submitted the “individual” portion of a PAGA claim
2 to arbitration lacks standing under state law to pursue a representative PAGA claim on behalf of others.

3 6. Once the Supreme Court issued the *Adolph* decision, which allowed Plaintiff to
4 proceed with his representative PAGA claim, the Parties agreed to attend private mediation. In advance
5 of mediation, Defendant informally produced a significant amount of documents, including Plaintiff’s
6 personnel file, relevant policy documents pertaining to Defendant’s alternative workweek schedule
7 election, incentive bonuses, and the collective bargaining agreement, as well as a 15% sample of time
8 and pay records. Plaintiff’s Counsel engaged an expert to quantify the potential exposure using the
9 time and payroll records, and then assessed the risks associated with each of the claims.

10 7. The parties attended mediation on March 19, 2024 with Kevin Barnes, a respected
11 wage and hour mediator. After a full day of negotiating, the Parties agreed to a settlement amount and
12 executed a Memorandum of Understanding with the material terms the parties had agreed to. The
13 Parties spent the next few months negotiating the terms of the Settlement, which was finalized in
14 October of 2023. The negotiations were adversarial, conducted at arm’s length and tempered by the
15 efforts of both sides to serve the interests of their clients.

16 8. Plaintiff provided notice of the Settlement to the LWDA on December 7, 2023.
17 Plaintiff also served a copy of this Motion on the LWDA on May 31, 2024.

18 9. The \$499,000.00 Gross Settlement Fund is reasonable for a group of approximately
19 500 employees. A penalty of \$499,000.00 is large enough to punish Defendant for alleged past
20 violations and deter future violations. The settlement amount is equivalent to a penalty of about \$998
21 per employee. At the same time, the penalty amount is not so large as to be unjust, oppressive or
22 confiscatory, considering the company’s potential exposure explained below.

23 10. The Gross Settlement Amount is also reasonable in light of the facts of the foregoing
24 action, the real risk that no PAGA penalties would be paid, and inherent risks and uncertainties
25 associated with PAGA claims.

26 11. Plaintiff calculated the potential exposure at the initial violation rate of \$100.00 per
27 pay period as follows: 20,225 x \$100.00 per pay period is \$2,022,500 for an estimated 20,225 pay
28

1 periods. If the Court stacked different types of penalties in each pay period, Plaintiff calculated the
2 exposure as follows:

- 3 a. 20,225 pay periods x \$100 per pay period x 29% alleged violation rate = \$586,525
4 for meal period violations;
- 5 b. 20,225 pay periods x \$100 per pay period x 6% alleged violation rate = \$121,350
6 for third rest break violations;
- 7 c. 20,225 pay periods x \$100 per pay period x 25% violation rate (for alleged failure
8 to pay overtime at proper regular rate of pay and uncompensated time) = \$505,625
9 for unpaid overtime wages;
- 10 d. 20,225 pay periods x \$100 per pay period x 100% alleged violation rate =
11 \$2,022,500 for wage statement penalties;
- 12 e. 20,225 pay periods x \$100 per pay period x 100% alleged violation rate=
13 \$2,022,500 for unreimbursed business expenses; and
- 14 f. 209 former employees x \$100 = \$20,900 for waiting time penalties.

15 12. Defendant raised a number of arguments during settlement negotiations and provided
16 evidence that could have defeated Plaintiff's claims. For example, Plaintiff argued Defendant failed
17 to provide employees with all lawful meal and rest periods, including due to rounding of employee
18 time, auto deduction policies, and missed, short or late meal or rest periods. However, Defendant
19 argued that it was exempt from California's meal and rest break requirements under Labor Code
20 section 512(e) because its employees were covered by a collective bargaining agreement, which
21 provided for the wages, hours of work, and working conditions of employees and expressly provided
22 for meal and rest periods for them. Additionally, Plaintiff argued that Defendant failed to incorporate
23 non-discretionary bonuses into the regular rate of pay when it paid overtime, failed to pay overtime
24 due to an improper alternative workweek schedule, and also failed to compensate for all hours worked
25 including off-the-clock work. However, Defendant again argued that it was exempt from California's
26 overtime requirements under Labor Code section 514 due to the existence of the collective bargaining
27 agreement, which provided for the premium wage rates for overtime hours worked. Moreover,
28 Plaintiff alleged Defendant failed to reimburse necessary business expenses by requiring employees

1 to purchase personal protective equipment, like steel-toed boots and protective welding jackets.
2 However, Defendant provided evidence of vouchers that employers were given to use at Boot Barn to
3 purchase these items, and also claimed these claims were addressed in the collective bargaining
4 agreement and thus preempted under federal law. Finally, Plaintiff alleged that Defendant failed to
5 identify the overtime rate of pay and instead wrote that overtime was being paid at a multiple of 1.5
6 the base hourly rate. However, Defendant argued that employees could still determine the rate at
7 which they are being paid from the wage statement alone, which complies with California law,
8 including *General Atomics v. Superior Court* (2021) 64 Cal.App.5th 987. Further, by providing all of
9 the information necessary to determine an employee's overtime rate of pay, Defendant argued that it
10 reasonably and in good faith believed it was providing a complete and accurate wage statement.

11 13. Another crucial factor in evaluating the value of a PAGA-only case is that all PAGA
12 awards are discretionary and can be reduced by the Court. Under Labor Code § 2699(e)(2), the Court
13 can reduce the PAGA penalties "if, based on the facts and circumstances of the particular case, to do
14 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." In other
15 words, were this matter to go to trial, any award granted would be at the discretion of the Court. In
16 settling this case, Plaintiff recognizes that, although he believes there would be no persuasive grounds
17 to reduce the penalties, the Court could determine otherwise and significantly reduce the PAGA
18 penalties, especially given the protections of the collective bargaining agreement. The wide range of
19 potential recovery and the additional delays and risks of trial justified settling for a reasonable amount
20 of recovery.

21 14. Aegis prosecutes wage and hour cases, including class actions on behalf of employees
22 and others who have had their rights violated. Aegis, either on its own, or with co-counsel is currently
23 serving as plaintiffs' counsel of record in dozens of wage and hour and employment class action cases
24 pending in both state and federal court.

25 15. The attorneys working on this case have been appointed class counsel in many cases,
26 through both contested motions and settlement approval motions.

27 16. Aegis has litigated and successfully resolved many wage and hour class action cases
28 involving failure to pay wages and derivative Labor Code claims and penalties. *See, e.g., Bonello v.*

1 *Laboratory Express, Inc.*, San Bernardino Superior Court, Case No. CIVDS1714584 (class
2 certification granted on May 14, 2021 for all current and former couriers misclassified as
3 independent contractors on issues of inaccurate wage statements, failure to reimburse business
4 expenses, and unfair competition); *Roman, et al. v. TRM Manufacturing, Inc.*, Riverside Superior
5 Court, Case No. RIC1706458 (class certification granted on December 17, 2020 for all current and
6 former non-exempt workers' on issues of rounding, meal period, and rest period claims); *Gamboa v.*
7 *Kamran, et al.*, San Bernardino Superior Court, Case No. CIVDS1605273 (class certification granted
8 on September 16, 2019, for factory workers on issues of rounding, automatic deduction of first meal
9 period, and second meal period); *Romo, et. al, v. GMRI, Inc. d/b/a/ Olive Garden*, United States
10 District Court Central District of California, Case No. EDCV-12-0715-JLQ (class certification
11 granted for restaurant workers' rest period claims); *Sawyer v. Retail Data, LLC*, Orange County
12 Superior Court, Case No. 30-2014-00753767-CU-OE-CXC (unpaid wage and rest break claims for
13 piece rate workers); *Gonzalez v. SFFI Company, Inc., et. al*, San Bernardino County Superior Court,
14 Case No. CIV DS1504287 (unpaid wages, meal period and rest break claims for non-exempt
15 employees); *Antoine v. Riverstone Residential California, Inc., et. al*, Sacramento County Superior
16 Court, Case No. 34-2013-00155974 (rate of pay, on-call time, unpaid wage, meal period, rest break,
17 and expense reimbursement claims for non-exempt employees); *Nguyen v. Pharmerica*, Orange
18 County Superior Court, Case No. 30-2014-00716072-CU-OE-CXC (unpaid wages and
19 unreimbursed expenses for pharmacists); *Orellana v. Westlake*, Los Angeles County Superior Court,
20 Case No. BC539614 (unpaid overtime, meal period and rest break claims for call center employees);
21 *Kent v. Mountain View Child Care, Inc.*, Los Angeles County Superior Court, Case No. BC539633
22 (minimum wage, overtime, meal period, and rest break claims for hospital workers); *Durroh v. East*
23 *West Bank*, Los Angeles County Superior Court, Case No. BC528860 (overtime claims for failure
24 to include bonuses in regular rate of pay for bank workers); *O'Brien et al. v. Pizza Hut of Southeast*
25 *Kansas, Inc. et al.*, Riverside County Superior Court, Case No MCC 1301030 (meal period and
26 expense reimbursement claims for delivery drivers); *Bell v. Prime Healthcare*, Orange County
27 Superior Court, Case No. 30-2011-00475240-CU-OE-CXC (overtime claims for failure to include
28 shift premiums in regular rate of pay and failure to provide meal and rest periods to hospital

workers), *Grana v. Toys R US-Delaware, Inc.*, Central District of California, Case No. 2:13-cv-01302-DSF-JCG (bag check claims for unpaid wages and failure to provide meal periods and rest breaks to retail employees); *Mendez v. H.J. Heinz Company, L.P., et. al*, Orange County Superior Court, Case No. 30-2013-00644915-CU-OE-CXC (failure to pay all wages to factory workers due to rounding practice); *Fresh & Easy Wage and Hour Cases*, Los Angeles Superior Court, Cas No. JCCP 4705 (failure to provide meal and rest periods to supermarket workers); *Lunsford v Stater Bros.*, Riverside Superior Court, Case No. RIC 1104475 (failure to provide meal and rest periods to supermarket workers); *Gregg v. Belo*, Riverside Superior Court, Case No. RIC 523697 (unpaid wages and missed meal and rest periods due to misclassification of newspaper delivery employees); *Brown v. Experian Information Solutions, Inc., et. al.*, Orange County Superior Court, Case No. 30-2012-00375163 (misclassification of engineers and similar positions); *Tereth v. Shakey's USA, Inc.*, Los Angeles Superior Court, Case No. BC441359 (failure to provide meal and rest periods to restaurant employees); *Azurin v. Harbor Distributing LLC, et. al.*, Los Angeles Superior Court, Case No. BC421392 (failure to pay overtime wages, provide meal and rest periods, reimburse business expenses to Account Managers); *Caffero v. ABC* (failure to provide meal periods and reimburse expenses of therapists).

17. Samuel A. Wong is a graduate of University of Pennsylvania Law School, where he received his J.D. in 2001. Mr. Wong received a Bachelors of Arts in Sociology from the University of California at Berkeley in 1997.

18. After graduation from law school in 2001, the same year in which Mr. Wong took and successfully passed the California Bar Exam, Mr. Wong moved to back to Los Angeles, California where he was employed at Paul Hastings, Janofsky & Walker, LLP. While working in the employment department at Paul Hastings, he was involved in numerous wage and hour class action lawsuits and other employment related matters.

19. Mr. Wong became a founding partner of Aegis Law Firm, PC in 2003, and focused his practice on plaintiff's side employment work. Throughout his years of practice, Mr. Wong represented and obtained successful outcomes for his clients, including awards through arbitration and trial.

20. Mr. Wong is a member of the Orange County Bar Association, Orange County Trial Lawyers Association, and California Employment Lawyers Association.

21. Mr. Wong was chosen by Law and Politics Magazine as a Super Lawyer Rising Star, representing one of the top 2.5% of lawyers under 40 in Southern California in 2011, 2012, 2013, and 2014. He was chosen by Law and Politics Magazine as a Super Lawyer in 2015, 2016, 2017, and 2018. Mr. Wong was also chosen as a Top Attorney in the field of employment law by OC Metro in 2014, 2015, and 2018.

22. Kashif Haque received his J.D. in 2001 from Washington University School of Law. While in law school, Mr. Haque was a member of the Law Review Editorial Board, author of an article published in the Law Review, Executive Board Member of Moot Court, and a member of the Dean's List. He received a Bachelor's of Science in Business Administration from the University of Central Missouri in 1998, where he was a member of the Beta Alpha Psi honors fraternity.

23. Since 2004, Mr. Haque has exclusively focused his practice on plaintiff's employment litigation with a specific focus on wage and hour claims. Since then, he has represented over 500,000 employees with their employment claims, many of which included wage and hour claims. He has been appointed class counsel in approximately 100 cases and is currently litigating over 150 employment wage and hour class action cases.

24. Mr. Haque authored a book on employment litigation strategies with West Publishing and has been invited to speak on class action and wage and hour issues on numerous occasions. He has spoken at seminars by the State Bar of California, California Employment Lawyer's Association (CELA), Orange County Bar Association, and various other CLE providers. Mr. Haque is the former Chair for the Labor and Employment Section of the Orange County Bar Association. He was selected as one of the Top 50 Attorneys in Orange County by Super Lawyers for 2017 and 2019. He has been a Super Lawyer for every year from 2009 to the present. OC Register/Metro has selected him as one of the Top 5 Employment Lawyers in Orange County for every year the list was published, from 2012 to 2018.

25. Jessica L. Campbell is a partner at Aegis Law Firm. Ms. Campbell was admitted to the California Bar in December of 2011, and received her J.D. from Santa Clara University School

of Law and her B.A. from the University of California, Berkeley. Ms. Campbell has dedicated her career to plaintiffs' side class actions. Ms. Campbell's experience includes successful work on class action appeals, class certification motions, and class settlements. She was chosen by Law and Politics Magazine as a Super Lawyer Rising Star, representing one of the top 2.5% of lawyers under 40 in Southern California in 2018-2021.

26. I am an associate at Aegis Law Firm. I was admitted to the California Bar in December of 2019. I received my J.D. from Chapman University Dale E. Fowler School of Law where I graduated cum laude. While in law school, I was a recipient of numerous honors, including Merit Scholarships and CALI Awards, and externed for Judge Di Cesare of the Orange County Superior Court. I received my B.A. from the University of California, Davis. My career at Aegis Law Firm has primarily focused on the representation of employees in wage and hour action. I currently bill at \$600 an hour.

27. In litigating this case, my office spent \$12,984.10 in litigation costs, such as filing fees, expert fees, and mediation fees.

28. My firm spent over 211.7 hours working on this case, for a lodestar of at least \$160,930 in fees. The chart below shows the calculation of hours spent by each of Aegis' attorneys on this case:

Attorney	Hours	Hourly Rate	Total
Samuel Wong	74.6	\$950.00	\$70,870.00
Jessica Campbell	39	\$800.00	\$31,200.00
Kristy R. Connolly	99.1	\$600.00	\$59,460.00
Total	212.7		\$161,530.00

29. Attached hereto as **Exhibit 1** is a true and correct copy of the fully-executed settlement agreement between the Parties, entitled the Private Attorneys General Act Settlement Agreement and Limited Release. **Exhibit A** attached thereto is the notice to be mailed to the aggrieved employees.

30. Attached hereto as **Exhibit 2** is a true and correct copy of the PAGA notice Plaintiff sent to the LWDA and Defendant on March 17, 2022

31. Attached hereto as **Exhibit 3** is a true and correct copy of the amended PAGA notice Plaintiff sent to the LWDA and Defendant on April 8, 2024.

32. Plaintiff provided notice of the Settlement to the LWDA and served a copy of the motion on the LWDA. Attached hereto as **Exhibit 4** is a true and correct copy of the confirmation email my office received after submitting the proposed settlement and Motion for Approval to the LWDA.

33. Attached hereto as **Exhibit 5** is a true and correct copy of my firm's cost journal for actual costs expended on this case.

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

Executed on May 31, 2024, in Irvine, California.

Kristy Conley

Kristy R. Connolly

EXHIBIT 1

PAGA SETTLEMENT AGREEMENTⁱ

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Joey Leon (“Plaintiff”) and defendant TTX Company (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Leon v. TTX Company*, Case No. CIVSB2228412 initiated on December 20, 2022 and pending in Superior Court of the State of California, County of San Bernardino.
- 1.2. “Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means all current and former persons employed by Defendant in California as a non-exempt employee at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of San Bernardino.
- 1.8. “Defense Counsel” means Spencer C. Skeen, Jesse C. Ferrantella, Cameron O. Flynn of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
- 1.9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.
- 1.10. “Gross Settlement Amount” means \$499,000 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below.

The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff's Individual Settlement Payment, and the Administrator's Expenses Payment.

- 1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.13. "LWDA" means the California Labor and Workforce Development Agency.
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff's Individual Settlement Payment, and the Administration Expenses Payment.
- 1.16. "PAGA Counsel" means Samuel Wong, Kashif Haque, Jessica Campbell, and Kristy Connolly of Aegis Law Firm, the attorneys representing the Plaintiff in the Action.
- 1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.19. "PAGA Period" means the period from October 15, 2021 through May 18, 2024.
- 1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. "PAGA Notice" means Plaintiff's March 17, 2022 letter to Defendant and the LWDA and Plaintiff's April 8, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

- 1.23. “Plaintiff” means Joey Leon, the named plaintiff in the Action.
- 1.24. "Approval Order" means the Court’s Order Granting Approval of this Settlement.
- 1.25. “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.
- 1.26. “Released Parties” means Defendant and each of its insurers, brands, concepts, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual or entity which could be jointly liable with Defendant.
- 1.27. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. “Defendant” means TTX Company, the named defendant in the Action.

2. RECITALS.

- 2.1. On December 20, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for Enforcement of the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*). The Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On March 19, 2024, the Parties participated in an all-day mediation presided over by Kevin T. Barnes which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, documents relating to Defendant’s policies, practices, and procedures regarding paying non-exempt employees for all hours worked, overtime, meal and rest period policies, expenses, payroll and operations policies, and more.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$499,000 and no more as the Gross Settlement Amount. The Gross Settlement Amount includes the Individual PAGA Payments to the Aggrieved

Employees, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Plaintiff's Individual Settlement Payment to Plaintiff of \$10,000 (in addition to any Individual PAGA Payment Plaintiff is entitled to receive as an Aggrieved Employee).

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the GSA, which is currently estimated to be \$166,333.33 and PAGA Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$8,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$8,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: The PAGA Penalties will be paid from the Gross Settlement Amount, after deducting the above amounts for PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administrator Expenses Payment, and Plaintiff's Individual Settlement Payment, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a)

dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- 3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are a total of 20,225 PAGA Pay Periods.
- 4.2. Aggrieved Employee Data. Within 21 days of the Approval Order, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff's Individual Settlement Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment. Disbursement of the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. A notice letter explaining why the check is being sent ("Employee Notice"), in a

mutually-agreed upon form that has been approved by the Court, in substantially the form that is attached hereto as “Exhibit A,” will be included in the mailing of each Individual PAGA Payment. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients’ mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, the State of California, the LWDA, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff’s Release. In addition to the claims released under Sections 6.2 and 6.3 below, Plaintiff and Plaintiff’s’ former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, agree to a general release of any and all claims, transactions, or occurrences against Released Parties—which will include without limitation any and all claims which in any way relate to Plaintiff’s’ employment with Defendant, under State or Federal law, in tort, common law, statute, contract, or equity, whether pled in the Complaint or not, including but not limited to any claims under the Fair Labor Standards Act (“FLSA”), Title VII, Americans with Disabilities Act (“ADA”), Fair Employment and Housing Act (“FEHA”), Age Discrimination in Employment Act (“ADEA”), Private Attorneys General Act (“PAGA”), California Labor Code, or any Industrial Welfare Commission Wage Order—now existing or arising in the future, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution hereof (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment

benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Aggrieved Employees:

All Aggrieved Employees, the State of California, and the LWDA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notices during the PAGA Period, including claims for (1) Failure to Pay Minimum Wages, (2) Failure to Pay Overtime Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide Rest Periods, (5) Failure to Provide Accurate Wage Statements, (6) Failure to Timely Pay All Wages During Employment and Due at Termination, (7) Failure to Reimburse Expenses, and (8) Failure to Maintain Accurate and Complete Records.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement and (ii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2))).
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and, subject to Defendant's approval, filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and

appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, CPT Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUS

Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 20,225 Pay Periods worked during the PAGA Period. If the PAGA Pay Periods during the PAGA Period exceeds 20,225 by more than 10%, the Gross Settlement Amount will increase by a proportionate percentage beyond the 10% (i.e., if the Class workweeks increased by 12%, the Gross Settlement Amount would increase by 2%). In the alternative, Defendant may elect to shorten the PAGA Period in order to stay within the 10% cushion; Defendant must make this election within 21 days of the Approval Order.

9. **CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. **ADDITIONAL PROVISIONS.**

10.1 **No Admission of Liability or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.3 **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, upon written request by Defendant, Plaintiff shall destroy all

paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Aegis Law Firm, PC
Kashif Haque
Samuel Wong
Jessica L. Campbell
Kristy R. Connolly
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
kconnolly@aegislawfirm.com
(949) 379-6250

To Defendant:

Spencer C. Skeen
Jesse C. Ferrantella
Cameron O. Flynn
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4460 La Jolla Village Drive, Suite 900
San Diego, CA 92122
Telephone: 858-652-3100
Facsimile: 858-652-3101
spencer.skeen@ogletree.com
jesse.ferrantella@ogletree.com
cameron.flynn@ogletree.com

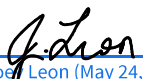
- 10.16 Execution in Counterparts. This Agreement may be executed in one or more

counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 05/24/2024

JOEY LEON

By: 
Joey Leon (May 24, 2024 19:07 PDT)
Named Plaintiff

Dated: _____

TTX COMPANY

By: _____
(Signature)

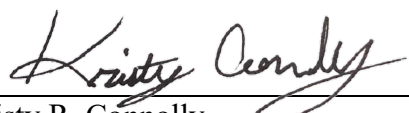
(Printed Name)

(Title)

APPROVED AS TO FORM ONLY:

Dated: May 28, 2024

AEGIS LAW FIRM, PC

By: 
Kristy R. Connolly

Attorneys for Named Plaintiff Joey Leon

counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

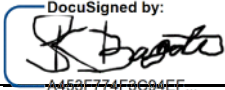
Dated: _____

JOEY LEON

By: _____
Named Plaintiff

Dated: 5/22/2024 | 9:20 AM PDT

TTX COMPANY

By:  _____
(Signature)

Shannon K. Bagato

(Printed Name)

VP Law, General Counsel and Corporate Secretary

(Title)

APPROVED AS TO FORM ONLY:

Dated: _____

AEGIS LAW FIRM, PC

By: _____
Kristy R. Connolly

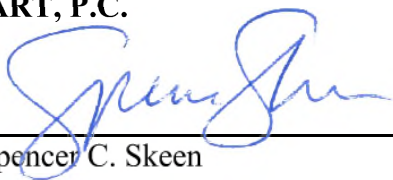
Attorneys for Named Plaintiff Joey Leon

Dated:

May 30, 2024

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**

By:



Spencer C. Skeen
Jesse C. Ferrantella
Cameron O. Flynn

Attorneys for Defendant TTX Company

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Address>>
<<City>> <<State>> <<Zip>>

Re: Individual PAGA Payment from *Leon v. TTX Company*
San Bernardino County Superior Court, Case No. CIVSB2228412

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement of a lawsuit entitled *Leon v. TTX Company*, Case No. CIVSB2228412 (“Action”), filed in the Superior Court of California for the County of San Bernardino (“Court”).

The lawsuit was filed by Joey Leon (“Plaintiff”), a former employee of TTX Company (“Defendant”), on behalf of the State of California with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Defendant violated the California Labor Code by failing to properly pay all minimum and overtime wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, reimburse business expenses, provide accurate itemized wage statements, timely pay all wages during employment and upon separation of employment, and maintain accurate and complete payroll records.

Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendant, on behalf of Plaintiff, the State of California, and the following Aggrieved Employees: all current and former persons employed by Defendant in California as a non-exempt employee at any time from October 15, 2021 through May 18, 2024. You are receiving a portion of the settlement (the enclosed Individual PAGA Payment check) because you have been identified as an Aggrieved Employee.

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the Aggrieved Employees. Your Individual PAGA Payment is based on the total number of pay periods that you worked as an Aggrieved Employee during the period between October 15, 2021 through May 18, 2024 (the “PAGA Period”). The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

By way of the settlement, you will be deemed to release the Released Parties from the Released PAGA Claims. The “Released Parties” means Defendant and each of its insurers, brands, concepts, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual or entity which could be jointly liable with Defendant. The “Released Claims” means and refers to all

claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notices during the PAGA Period, including claims for (1) Failure to Pay Minimum Wages, (2) Failure to Pay Overtime Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide Rest Periods, (5) Failure to Provide Accurate Wage Statements, (6) Failure to Timely Pay All Wages During Employment and Due at Termination, (7) Failure to Reimburse Expenses, and (8) Failure to Maintain Accurate and Complete Records.

Your Individual PAGA Payment check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the State Controller's Office Unclaimed Property Fund in your name.

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Settlement Administrator at <<INSERT CONTACT INFORMATION>>.

EXHIBIT 2



AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949.379.6250
Facsimile: 949.379.6251
www.aegislawfirm.com

March 17, 2022

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Attn: PAGA Administrator

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Agent for Service of Process for TTX Company:
CT Corporation System (C0168406)
330 N. Brand Blvd., Ste. 700
Glendale, CA 91203

Re: Joey Leon v. TTX Company

Dear Labor and Workforce Development Agency and TTX Company:

Please allow this correspondence to serve as written notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by TTX Company ("TTX"), and the facts and theories in support of said allegations. This firm represents Joey Leon ("Claimant"). We hereby notify you that Claimant intends to seek penalties against TTX under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on behalf of himself and all other aggrieved employees.

Specific Provisions of the California Labor Code Allegedly Violated by TTX

The specific provisions of the Labor Code allegedly violated by TTX and the provisions under which Claimant submits this correspondence include the following: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

Facts and Theories Supporting the Allegations Against TTX

Claimant and other aggrieved employees worked for TTX as non-exempt employees in California. Claimant was employed by TTX as a non-exempt Production Mechanic in California within the past year.

TTX failed to pay Claimant and other aggrieved employees all wages, including minimum and overtime wages for all hours worked (in violation of Labor Code Section 510, 558, 1182.12, 1194, 1194.2, 1197, and 1198). For example, TTX required Claimant and other aggrieved employees to complete work duties or remain under TTX's control off-the-clock, such as during meal periods, among other things. Further, TTX rounded aggrieved employees' time punches to

its advantage and automatically deducted meal periods. TTX failed to pay Claimant and other aggrieved employees at least minimum wage or all overtime wages for these hours.

Additionally, TTX implemented an invalid alternative workweek schedule and/or failed to pay proper overtime under a valid alternative workweek schedule. TTX's alternative workweek schedule was not properly registered with the Division of Labor Standards Enforcement, and/or the elections were not completed properly. As a consequence of an invalid alternative workweek schedule, and a practice and policy of not paying for all hours worked, TTX did not pay overtime wages for all hours worked at Claimant's and other aggrieved employees' proper overtime pay rate, including, but not limited to hours worked in excess of eight hours in a day, 12 hours in a day, 40 hours in a week, and/or hours worked on a seventh consecutive day (in violation of Labor Code sections 510, 511, 1194, and 1198). To the extent the alternative workweek schedule was valid, TTX failed to properly pay aggrieved employees overtime for working outside the alternative workweek schedule or getting less than hours than guaranteed by the alternative workweek schedule.

TTX also failed to provide uninterrupted, timely, and complete 30-minute meal periods for every five hours worked to Claimant and other aggrieved employees as required by Labor Code Section 512 and section 11 of the applicable Wage Order. TTX required Claimants and aggrieved employees to work through their meal periods or interrupted their meal periods with work, failed to provide meal periods within the first five hours of work and second meal periods within the first 10 hours of work, rounded short meal periods, or automatically deducted meal periods when none were taken, among other violations. As a result, Claimant and aggrieved employees were not provided meal periods or were not provided timely, uninterrupted meal periods. When Claimant and other aggrieved employees missed meal periods, TTX violated Labor Code Sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees for every day in which they suffered a meal period violation.

Additionally, TTX failed to authorize or permit ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked because Claimant and other aggrieved employees were not authorized to take their rest periods, had their rest breaks cut short, were interrupted during rest periods, or were not scheduled to have relief to take off-duty rest periods, among other violations. When Claimant and other aggrieved employees did not receive rest periods, TTX violated Labor Code Section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay.

TTX also failed to reimburse Claimant and other aggrieved employees for all business expenses incurred for TTX's benefit, including requiring them to buy their own personal protective equipment, such as protective welding jackets and foot protection, among other expenses, without providing reimbursement or provided an inadequate reimbursement (in violation of Labor Code Sections 2800 and 2802).

As a result of, and in addition to, these actions, TTX violated Labor Code sections 226 and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions,

provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, among other violations, some paystubs listed the wrong rates, hours, and pay due the violations above, and listed the based rates for overtime pay.

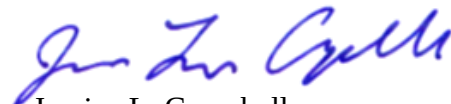
Similarly, TTX violated Labor Code sections 1174 and 1174.5 by failing to maintain accurate and complete records showing the hours worked daily by the aggrieved employees and the wages paid to Claimant and aggrieved employees due to the above violations.

Furthermore, TTX violated the Labor Code by failing to properly pay all wages owed throughout Claimant's and other aggrieved employees' employment and following the end of these workers' employment with TTX due to the above violations (in violation of Labor Code Sections 201, 202, 203, 204, and 210).

Based on these violations, and any predicate violations subsequently discovered, Claimant seeks attorneys' fees, interest, and penalties under the Labor Code. Attached hereto and incorporated herein is the class action complaint Claimant intends to file on behalf of himself and all other aggrieved employees against TTX Claimant intends to amend the complaint to include a cause of action pursuant to Labor Code §§ 2698, *et seq.*, after the minimum required review period elapses.

Thank you for your assistance on this issue. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very truly yours,
AEGIS LAW FIRM, PC



Jessica L. Campbell

Enclosure:
Class Action Complaint

EXHIBIT 3



AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949.379.6250
Facsimile: 949.379.6251
www.aegislawfirm.com

April 8, 2024

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Attn: PAGA Administrator

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Agent for Service of Process for TTX Company:
CT Corporation System (C0168406)
330 N. Brand Blvd., Ste. 700
Glendale, CA 91203

Re: Joey Leon v. TTX Company

Dear Labor and Workforce Development Agency and TTX Company:

Please allow this correspondence to serve as written notice required by California Labor Code § 2699.3(a)(1) of the specific provisions of the Labor Code allegedly violated by TTX Company ("TTX"), and the facts and theories in support of said allegations. This firm represents Joey Leon ("Claimant"), who previously notified you on March 17, 2022, that Claimant intends to seek penalties against TTX under the Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698 *et seq.*, on behalf of himself and all other aggrieved employees.

In addition to the previous facts and theories described in Claimant's letters, Claimant alleges supplemental and clarifying facts supporting violations of Labor Code sections 510, 558, 1182.12, 1194, 1194.2, 1197, and 1198.

TTX failed to pay Claimant and other aggrieved employees at least the legal minimum wage or the applicable overtime wage for all hours worked (in violation of Labor Code sections 558, 1182.12, 1194, 1194.2, 1197, and 1198), including failing to pay wages for undergoing mandatory badge and security checks. Claimant alleges that he and other aggrieved employees were required to undergo a badge and/or security check and spend related time before clocking in and after clocking out for their shifts and that this time was not compensated by TTX.

Specific Provisions of the California Labor Code Allegedly Violated by TTX

The specific provisions of the Labor Code allegedly violated by TTX and the provisions under which Claimant submits this correspondence include the following: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

Facts and Theories Supporting the Allegations Against TTX

Claimant and other aggrieved employees worked for TTX as non-exempt employees in California. Claimant was employed by TTX as a non-exempt Production Mechanic in California within the past year.

TTX failed to pay Claimant and other aggrieved employees all wages, including minimum and overtime wages for all hours worked (in violation of Labor Code Section 510, 558, 1182.12, 1194, 1194.2, 1197, and 1198). For example, TTX required Claimant and other aggrieved employees to complete work duties or remain under TTX's control off-the-clock, such as during meal periods and badge/security checks, among other things. Further, TTX rounded aggrieved employees' time punches to its advantage and automatically deducted meal periods. Further, TTX occasionally paid non-discretionary incentives and did not always factor these incentives into the regular rate of pay. TTX failed to pay Claimant and other aggrieved employees at least minimum wage or all overtime wages for these hours.

Additionally, TTX implemented an invalid alternative workweek schedule and/or failed to pay proper overtime under a valid alternative workweek schedule. TTX's alternative workweek schedule was not properly registered with the Division of Labor Standards Enforcement, and/or the elections were not completed properly. As a consequence of an invalid alternative workweek schedule, and a practice and policy of not paying for all hours worked, TTX did not pay overtime wages for all hours worked at Claimant's and other aggrieved employees' proper overtime pay rate, including, but not limited to hours worked in excess of eight hours in a day, 12 hours in a day, 40 hours in a week, and/or hours worked on a seventh consecutive day (in violation of Labor Code sections 510, 511, 1194, and 1198). To the extent the alternative workweek schedule was valid, TTX failed to properly pay aggrieved employees overtime for working outside the alternative workweek schedule or getting less than hours than guaranteed by the alternative workweek schedule.

TTX also failed to provide uninterrupted, timely, and complete 30-minute meal periods for every five hours worked to Claimant and other aggrieved employees as required by Labor Code Section 512 and section 11 of the applicable Wage Order. TTX required Claimants and aggrieved employees to work through their meal periods or interrupted their meal periods with work, failed to provide meal periods within the first five hours of work and second meal periods within the first 10 hours of work, rounded short meal periods, or automatically deducted meal periods when none were taken, among other violations. As a result, Claimant and aggrieved employees were not provided meal periods or were not provided timely, uninterrupted meal periods. When Claimant and other aggrieved employees missed meal periods, TTX violated Labor Code Sections 226.7 and 512, as well as section 11 of the applicable Wage Order, by failing to pay an additional hour of pay at the regular rate of pay to Claimant and other aggrieved employees for every day in which they suffered a meal period violation.

Additionally, TTX failed to authorize or permit ten-minute (10) rest periods for every four (4) hours or major fraction thereof worked because Claimant and other aggrieved employees were not authorized to take their rest periods, had their rest breaks cut short, were interrupted during rest periods, or were not scheduled to have relief to take off-duty rest periods, among other violations. When Claimant and other aggrieved employees did not receive rest periods, TTX

violated Labor Code Section 226.7 and section 12 of the applicable Wage Order by failing to pay an additional hour of pay at the regular rate of pay.

TTX also failed to reimburse Claimant and other aggrieved employees for all business expenses incurred for TTX's benefit, including requiring them to buy their own personal protective equipment, such as protective welding jackets and foot protection, cell phone expenses, among other expenses, without providing reimbursement or provided an inadequate reimbursement (in violation of Labor Code Sections 2800 and 2802).

As a result of, and in addition to, these actions, TTX violated Labor Code sections 226 and 226.3 by failing to provide itemized wage statements that accurately reported the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Specifically, among other violations, some paystubs listed the wrong rates, hours, and pay due the violations above, and listed the based rates for overtime pay.

Similarly, TTX violated Labor Code sections 1174 and 1174.5 by failing to maintain accurate and complete records showing the hours worked daily by the aggrieved employees and the wages paid to Claimant and aggrieved employees due to the above violations.

Furthermore, TTX violated the Labor Code by failing to properly pay all wages owed throughout Claimant's and other aggrieved employees' employment and following the end of these workers' employment with TTX due to the above violations (in violation of Labor Code Sections 201, 202, 203, 204, and 210).

Based on these violations, and any predicate violations subsequently discovered, Claimant seeks attorneys' fees, interest, and penalties under the Labor Code. Attached hereto and incorporated herein is the class action complaint Claimant intends to file on behalf of himself and all other aggrieved employees against TTX Claimant intends to amend the complaint to include a cause of action pursuant to Labor Code §§ 2698, *et seq.*, after the minimum required review period elapses.

Thank you for your assistance on this issue. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very truly yours,
AEGIS LAW FIRM, PC



Kristy R. Connolly

EXHIBIT 4

EXHIBIT 5

Matter Billing Detail

Aegis Law Firm, PC

Date Range: 01/01/1900 to 05/30/2024
Client: 547795 - Joey Leon
Matter: 1031 - Leon v. TTX Company

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
03/17/2022	FF	Filing Fee - LWDA Filing Fee	\$75.00		Unbilled				
03/17/2022	FF	Filing Fee - Summons, Complaint & Complex Fee	\$1,582.11		Unbilled				
04/20/2022	SOP	Service of Process - TTX Company	\$43.35		Unbilled				
04/27/2022	FF	Filing Fee - POS	\$81.21		Unbilled				
12/20/2022	FF	Filing Fee	\$86.11		Unbilled				
04/07/2023	FF	Filing Fee	\$89.65		Unbilled				
04/11/2023	FF	Filing Fee	\$1,492.40		Unbilled				
04/19/2023	FF	Filing Fee	\$110.91		Unbilled				
08/02/2023	FF	Filing Fee	\$86.11		Unbilled				
08/09/2023	CTC	Court Call	\$72.00		Unbilled				
01/26/2024	FF	Filing Fee	\$38.00		Unbilled				
02/20/2024	MED	Vendor: Judicate West; Date: 2/20/2024 - Mediation Services-Mediation Services-	\$375.00		Unbilled			996714	Judicate West
02/23/2024	MED	Vendor: Law Offices of Kevin T. Barnes; Date: 2/23/2024 - Mediation Services-	\$5,000.00		Unbilled			996720	Law Offices of Kevin T. Barnes
05/01/2024	EXP	Vendor: Berger Consulting Group, LLC; Date: 5/1/2024 - Expert Witness Fee-	\$2,320.00		Unbilled			996798	Berger Consulting Group, LLC
05/30/2024	CC	Cumulative Copies, Faxes, Scans, Postage	\$1,532.25		Unbilled				
		Total:	\$12,984.10	\$0.00					
		Balance:	\$12,984.10						