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JULIO LOPEZ

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

JULIO LOPEZ, on behalf of himself, the State
of California, and others similarly situated and
aggrieved,

Plaintiff,

v.

STEVEN LABEL, LLC, a Delaware Limited
Liability Company; STEVEN LABEL
CORPORATION, a California Corporation;
STEVEN LABEL, LLC, a California Limited
Liability Company; and DOES 1-100,
inclusive,

Defendants.

Case No. 22STCV21691

Assigned for All Purposes to:
Hon. Bruce Sotelo
Dept. 40

**DECLARATION OF MICHAEL JONES IN
SUPPORT OF MOTION FOR APPROVAL
OF SETTLEMENT UNDER PRIVATE
ATTORNEYS GENERAL ACT**

[Filed concurrently with Notice of Motion
and Motion; Memorandum of Points &
Authorities; Declarations of Julio Lopez and
Eric Springer; [Proposed] Order]

Date: July 10, 2024
Time: 8:30 a.m.
Dept.: 40

Reservation ID: 222106000292

1 I, Michael Jones, declare:

2 1. I am an attorney licensed to practice before all of the courts of the State of California,
3 and I am associated with Crosner Legal, PC, counsel of record for Plaintiff Julio Lopez in this
4 action. I submit this declaration in support of Plaintiff's Motion for Approval of Settlement under
5 the Private Attorneys General Act. I have personal knowledge of all facts stated herein, and if called
6 as a witness, I could and would competently testify thereto.

7 2. I am unaware of any other pending lawsuits that overlap with this matter in any way,
8 including the claims alleged or the time period and aggrieved employees covered.

9 3. Attached hereto as Exhibit 1 is a fully-executed, true and correct copy of the Parties'
10 PAGA Settlement Agreement ("Settlement Agreement"). Attached hereto as Exhibit 2 is a redline
11 of the Settlement Agreement showing all changes made from the Los Angeles Superior Court's
12 Model Agreement.

13 4. Attached hereto as Exhibit 3 is a true and correct copy of Plaintiff's April 28, 2022
14 PAGA notice letter to the Labor & Workforce Development Agency ("LWDA"), and proof of
15 submission.

16 5. Attached hereto as Exhibit 4 is a true and correct copy of proof of submission of the
17 complaint to the LWDA.

18 6. Attached hereto as Exhibit 5 is a true and correct copy of proof of submission of the
19 settlement to the LWDA.

20 **BACKGROUND**

21 7. Defendants collectively are a label printing company specializing in printing labels,
22 overlays, membrane switches, and folding cartons, predominantly for medical devices, including
23 labels indicating sizes, barcodes, roll labels, and thermal transfer labels, as well as product
24 instructions for users. Defendants also provide label printing for electronics and wine, beer, food
25 and consumer products. Plaintiff Lopez began working for Defendants on or about April 7, 2014,
26 as a Printing Press Operator at a facility in Santa Fe Springs, California. His duties include not
27 only operating printing presses but also repairing broken machinery as needed. In or around June
28 2021, Plaintiff suffered an on the job injury and was placed on disability leave.

1 8. Plaintiff contends Steven Label violated the Labor Code in several ways during the
2 relevant time period. First, he contends Defendant failed to pay Plaintiff and the Aggrieved
3 Employees for all hours worked including off the clock time spent waiting in line to clock in and
4 undergoing wellness checks during covid. He further alleges Defendants failed to properly calculate
5 and pay for overtime work. He also alleges Steven Label failed to provide Plaintiff and the
6 Aggrieved Employees with required meal and rest periods, and that many breaks were missed
7 completely (especially second meal breaks and third rest breaks), were untimely, or were cut short.
8 He further claims Defendants did not pay premium payments for missed, late, or short meal periods
9 and breaks. He next contends Defendants failed to reimburse Plaintiff and the Aggrieved
10 Employees for all business expenses including the cost of personal cell phones used for work
11 purposes.

12 9. Based on these allegations, and after appropriate notice to the Labor & Workforce
13 Development Agency (“LWDA”),¹ Plaintiff filed a PAGA-only complaint on July 5, 2022. The
14 Complaint sought only PAGA civil penalties for alleged wage and hour violations including: (a)
15 failure to pay wages, including minimum and overtime wages; (b) failure to provide meal and rest
16 periods; (c) failure to reimburse expenses; (d) failure to provide complete and accurate wage
17 statements; and (d) waiting time penalties, on behalf of all individuals employed by Steven Label
18 as a non-exempt employee in California during the PAGA Period.

19 10. Defendant has at all times denied Plaintiff’s allegations and maintained it complied
20 with all relevant provisions of the Labor Code and Wage Orders. Specifically, Defendant contends
21 among other things that Plaintiff and all alleged aggrieved employees were timely paid for all hours
22 worked at the correct hourly rates in conformance with all applicable laws, that it authorized and
23 permitted Plaintiff and the alleged aggrieved employees to take fully compliant meal and rest
24 periods in accordance with all applicable laws, and that Plaintiff and the alleged aggrieved
25 employees received accurate and complete itemized wage statements. Defendant also strongly
26 contends the case cannot be maintained as a representative action because among other things
27 Plaintiff’s missed/interrupted/late/short meal and rest period allegations necessarily require detailed

28

¹ Plaintiff’s April 28, 2022 PAGA notice letter is attached as Exhibit 3 to the Jones Declaration.

1 individualized assessments and accordingly individualized issues predominate and a trial under
2 PAGA would be unmanageable.

3 11. Once the matter was at issue, the Parties began meeting and conferring regarding
4 the merits, discovery issues, and potential law and motion, and ultimately agreed to pursue
5 mediation rather than litigating a motion to compel arbitration. The Parties further agreed to a
6 protocol for exchanging additional documents and information before the mediation. Through this
7 informal discovery, Defendants provided Plaintiff with information including, inter alia, the
8 number of potential alleged aggrieved employees, the number of aggregate pay periods, sample
9 pay stubs and time records for around 20% of the alleged aggrieved employees, employee
10 handbooks and manuals, and relevant policy documents on Defendants' time keeping and reporting
11 policies, etc. Plaintiff had this information analyzed by Berger Consulting Group to assist with
12 determining violation rates for meal/rest break violations, potential unpaid overtime, etc., and to
13 assist with formulating a damages model.

14 12. The Parties then attended a full day mediation before highly-regarded mediator
15 Steve Mehta, Esq., who has extensive experience mediating wage and hour class and PAGA
16 actions. Before and during the mediation, Plaintiff and counsel analyzed, researched, and
17 investigated the potential issues, including matters related to the calculation of damages, trial, and
18 appellate issues and risks. During mediation, the Parties vigorously debated the likelihood of
19 Plaintiff's ability to proceed on a representative basis as to the PAGA claims, the legal grounds for
20 Plaintiff's claims and Defendant's defenses, and the parties' data analyses and conclusions based on
21 data provided by Defendant. After a contentious full day of negotiations, the Parties were able to
22 reach agreement on all major issues. The Parties then subsequently formalized the tentative
23 settlement in the PAGA Settlement Agreement now before the Court. A true and correct copy of
24 the Settlement Agreement is attached to the Jones Declaration as Exhibit 1.

25 **SUMMARY OF SETTLEMENT TERMS**

26 13. Under the settlement, Defendants will pay a non-reversionary settlement amount of
27 \$325,000 (the "Gross Settlement Amount" or "GSA"), which is inclusive of payments to the
28 LWDA and Aggrieved Employees, costs of settlement administration, and reasonable attorney's

1 fees and costs. After payment of settlement administration costs and reasonable attorney's fees and
2 costs from the GSA, Plaintiff presently estimates about \$202,649.39 will remain (the "Net
3 Settlement Amount" or "NSA"). Seventy-five percent of the NSA (about \$148,237.04) will go to
4 the LWDA, and the remaining twenty-five percent (about \$50,662.35) will be distributed to the
5 Aggrieved Employees in proportion to the total number of Eligible Pay Periods each individual
6 worked during the PAGA Period. No funds will revert to Defendants, and the average award
7 currently is estimated at about \$154. Lastly, Plaintiff has entered into a separate settlement of his
8 personal claims, including non-wage and hour claims arising out of his workplace injury and
9 alleged disability, and accordingly he is not requesting a service award.

10 14. The Parties propose using Simpluris, Inc. ("Simpluris") as the Settlement
11 Administrator. Simpluris has extensive experience administering PAGA settlements, and has
12 agreed to cap its fees at \$4,000. Within 14 calendar days of the Settlement's Effective Date,
13 Defendant will fund the settlement. Within 14 days thereafter, Simpluris will mail settlement
14 checks to all Aggrieved Employees via regular First-Class U.S. Mail, using the most current, known
15 mailing addresses identified in Defendants' records. Recipients need not submit claim forms and
16 will automatically receive a settlement check. Settlement checks will be negotiable for 180 days,
17 after which time any unclaimed residual funds will be forwarded to the State Controller's
18 Unclaimed Property Fund.

19 15. The release in the Settlement Agreement narrowly releases only civil penalty claims
20 brought under PAGA, as asserted in Plaintiff's PAGA notice to the LWDA and the operative
21 Complaint. The Settlement Agreement protects the rights of the alleged aggrieved employees to
22 bring their own individual claims should they wish. For these reasons, the Parties contend the
23 release narrowly applies only to the PAGA claims alleged or that could have been alleged, based
24 on the factual and legal allegations pled in the operative Complaint.

25 **THE SETTLEMENT IS FAIR, ADEQUATE AND REASONABLE, FURTHERS THE**
26 **PURPOSES UNDERLYING PAGA**

27 16. Plaintiff alleges claims for civil penalties for unpaid wages, meal/rest break
28 violations, and failure to reimburse expenses, as well as derivative wage statement and waiting time

1 penalty claims. First, Plaintiff contends Defendants failed to pay employees for all hours worked
2 because employees had to wait in long lines to clock in/out for their shifts while off the clock and
3 without compensation, and during covid had to undergo wellness screenings also while off the
4 clock. Plaintiff further alleges Defendants underpaid employees for overtime because Steven Label
5 failed to include all non-discretionary pay in the regular rate used to calculate the applicable
6 overtime premium rate. Per Plaintiff, this off-the-clock work and regular rate miscalculations
7 resulted in Defendant underpaying both minimum wages and overtime wages owed to Plaintiff and
8 the Aggrieved Employees.

9 16. Plaintiff also contends Defendants failed to maintain proper meal and rest break
10 policies and that he and other Aggrieved Employees did not receive all required breaks on a fully
11 compliant basis. For example, Plaintiff argued review of the time records produced by Defendants
12 showed numerous “de facto” violations for missed, untimely, and short meal periods. Plaintiff
13 argued further that Defendants did not provide second meal periods or third rest breaks on shifts
14 lasting over 10 hours. Lastly Plaintiff contends he and other employees sometimes had to work
15 through meal and rest breaks depending on the flow of business, to keep printing machinery
16 operating, etc.

17 17. On the expense reimbursement claims, Plaintiff alleges Defendant failed to
18 reimburse Plaintiff and the Aggrieved Employees for expenses such as cell phone expenses, data
19 or internet access charges, and other costs associated with use of their personal devices for company
20 business. Per Plaintiff, he and other Aggrieved Employees were regularly required to use their
21 personal cell phones and computers/tablets to perform their job duties, including but not limited to,
22 to communicate with supervisors about work issues. Lastly, Plaintiff also brings derivative claims
23 for inaccurate wage statements and failure to pay all wages due and owing upon separation of
24 employment under Labor Code §§ 201-203, all based on the alleged failure to pay wages due
25 addressed above.

26 18. For mediation, Defendants indicated there are approximately 328 individuals who
27 fit within Plaintiff’s definition of alleged aggrieved employees in California during the relevant
28 PAGA period, and these individuals worked approximately 21,652 pay periods.

1 19. Based on the data and information provided by Defendants, and with his expert's
2 assistance and analysis, Plaintiff estimated Defendants' theoretical maximum PAGA exposure at
3 about \$3.66 million. [Jones Decl., ¶¶ 18-19.]

4 20. We calculated these amounts as follows:

5 Unpaid Wage Violations (Off the Clock Work):

6 **\$730,000 in PAGA penalties:** \$100 per pay period penalty * 7,700 pay periods with a violation
7 (100% violation rate)

8 Meal Period Violations:

9 **\$730,000 in PAGA penalties:** \$100 per pay period penalty * 7,770 pay periods with a violation
10 (100% violation rate)

11 Rest Period Violations:

12 **\$730,000 in PAGA penalties:** \$100 per pay period penalty * 7,770 pay periods with a violation
13 (100% violation rate)

14 Expense Reimbursement

15 **730,000 in PAGA penalties:** \$100 per pay period penalty * 7,770 pay periods with a violation
16 (100% violation rate)

17 Wage Statement Violations:

18 **\$730,000 in PAGA Penalties:** \$100 per pay period penalty * 7,770 pay periods with a violation
19 (100% violation rate)

20 Waiting Time Penalties

21 **\$9,900 in PAGA penalties:** 99 former employees * 1 violation/employee * \$100/violation

22 21. In response to Plaintiff's wage claims, Defendants argued its time keeping policies
23 are legally compliant, that it accurately tracked all hours worked and paid the allegedly aggrieved
24 employees for all hours worked at the correct rates consistent with its compliant payroll policies. It
25 further argued that employees lost no time waiting to use time clocks or due to wellness checks,
26 which per Steven Label were not "off the clock." Defendants also emphasized off the clock work
27 by employees was strictly prohibited and per Steven Label, if any such off the clock work occurred
28 it was against company policy and done without the employer's knowledge. Per Defendants,

1 resolution of this claim on a representative basis would be unmanageable because it necessarily
2 would entail numerous individualized inquiries.

3 22. For the meal and rest break claims, Defendants offered multiple defenses. First, they
4 emphasized that the written meal and rest break policy generally was compliant, that they
5 authorized and permitted all necessary breaks, that alleged aggrieved employees received such
6 breaks in full compliance with California law, and that employees waived second meal periods.
7 Defendants also argued that even to the extent missed/non-compliant breaks occurred, it was in
8 violation of company policy and would require significant individual inquiries to determine the
9 reasons underlying any such alleged violations and whether it was by employee choice or some
10 other reason. Thus, per Defendants, any trial would be unmanageable on a representative basis
11 because of these individualized issues.

12 23. As with meal breaks, Defendant argued the applicable rest break policies complied
13 with California law and authorized and permitted employees to take all required breaks. Defendant
14 further contended that, in light of the fact that recording rest periods is not required, any evidence
15 of failure to authorize rest periods and/or discouragement from taking rest periods would be purely
16 anecdotal and individual issues would predominate on liability. Defendant also contended that they
17 are only liable if Plaintiff can prove, on a shift-by-shift basis, that each alleged aggrieved employee
18 actually did not receive a fully-compliant rest break. This arguably would once again make a trial
19 unmanageable since the instances an employee missed a rest break would have to be tested on a
20 case by case basis to determine compliance.

21 24. For the expense reimbursement claims, Steven Label argued there would be no need
22 for employees to use personal phones while operating machinery on the production floor or to
23 otherwise communicate with supervisors present in the facility. According to Defendants, if an
24 employee used their own phones it was strictly for personal convenience rather than business
25 necessity. As such, any such expenses are not reimbursable.

26 25. On the wage statement and waiting time waiting time penalty claims, Defendants
27 emphasized that, to the extent they are derivative then such claims will rise or fall along with the
28 primary claims, in addition to being subject to “good faith” and other defenses available to

1 Defendants. Accordingly, Plaintiff had to discount the value of these claims significantly in light
2 of these multiple potential defenses. Defendants also contended a substantial discount should be
3 applied to the civil penalties for these derivative (i.e., “stacked”) violations, as it would be unfair
4 to penalize Defendants multiple times for the same violation.

5 26. Defendants also emphasized PAGA gives the Court wide latitude to reduce the
6 amount of civil penalties “based on the facts and circumstances of a particular case” if “to do
7 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” This
8 is particularly true here where the claims essentially are premised on “de facto” violations and that
9 could prove difficult to establish on a representative basis, and in light of many cases that have
10 imposed substantial discounts on PAGA penalties awarded after trial. I am aware of multiple cases
11 where courts substantially reduced the requested the penalty awards for these reasons. For these
12 reasons, I believe there is a high likelihood the Court would find imposition of significantly more
13 in penalties would be “unjust, arbitrary, or confiscatory.”

14 27. Thus, Defendants raised various and multi-layered defenses to each of Plaintiff’s
15 claims, any one of which, if successful, could have decimated Plaintiff’s case. And Defendants
16 vowed to raise all these defenses at trial. Accordingly, Plaintiff faced risky issues going forward
17 with this litigation, and it could have taken years to realize any recovery in this action along with
18 the possibility of post-trial appeals. In addition to its merits defenses and arguing trial would be
19 unmanageable, Defendants also intended to raise additional defenses on damages, including the
20 proper measure of civil penalties and the appropriate discount to place on any assessment of such
21 penalties.

22 28. Although Plaintiff and I believe we could have prevailed, there was no such
23 guarantee. When the risks of overcoming a manageability defense and prevailing at trial on the
24 merits are factored into the equation, the settlement value is reasonable and supported. Indeed, to
25 recover maximum penalties Plaintiff would have to shoot the moon and win on liability as to all
26 claims and convince the Court to award full penalties for each and every pay period at issue, which
27 outcome is highly unlikely. Given Defendants’ procedural and merits defenses, as well as the
28 substantial penalty reductions ordered in the cases above – which occurred after trial – the proposed

1 settlement is eminently reasonable.

2 **SUBMISSION TO THE LWDA**

3 29. My office timely served the LWDA with the Settlement Agreement and this
4 Motion, and notified the LWDA of this approval hearing. Accordingly, the LWDA will be able to
5 weigh in as necessary and, importantly, many courts find it persuasive of approval if the LWDA
6 ultimately declines to offer any comment or objection to a proposed PAGA settlement.

7 **THE REQUESTED FEES AND COSTS ARE FAIR AND REASONABLE**

8 30. For our efforts and the contingent risk undertaken in obtaining a common fund
9 settlement that benefits the LWDA and aggrieved employees, the Settlement Agreement allows my
10 office to request one-third of the gross settlement, or \$108,333.33, for reasonable attorney's fees,
11 plus actual litigation costs. These fees are warranted under the law and within the range of fees
12 commonly awarded in similar cases.

13 31. There are several additional factors why I believe that the Court should award one-
14 third of the common fund as reasonable attorney's fees. First, our efforts resulted in a common
15 fund settlement amount of \$325,000.00, which for the reasons explained herein, is fair and
16 reasonable in light of the risks/defenses Defendants raised in litigation and threatened to raise at
17 trial and in post-trial appeals. Moreover, this result was achieved by the work and success of this
18 office, who negotiated the settlement after extensive preparation, informal discovery, a full
19 mediation session, and substantial negotiations.

20 32. Second, Plaintiff faced significant risks going forward with the litigation. As
21 discussed above, Defendants raised various defenses throughout this litigation, anyone of which,
22 if successful, could have decimated Plaintiff's case. And Defendants vowed to raise all these
23 defenses at trial and beyond. Accordingly, Plaintiff faced risky issues going forward with this
24 litigation, and it would have taken several more years to realize any recovery in this action along
25 with the possibility of post-trial appeals.

26 33. Third, Crosner Legal are experienced class and representative action litigators, and
27 have achieved several approved PAGA settlements. This experience and expertise, combined
28 with the high quality of work performed, resulted in the settlement achieved in this case.

1 34. I received my bachelor's degree from UC Santa Barbara in 2012, and my J.D.
2 from the USC Gould School of Law in 2016. I have practiced civil litigation for over seven years
3 and previously worked as a litigation attorney at Reisner & King LLP and Weston & Mclevain
4 LLP. I joined Crosner Legal in February 2022 and since then my practice has focused exclusively
5 on representing employees in wage and hour class and PAGA actions.

6 35. Zach Crosner is a 2010 graduate of University San Diego School of Law and he
7 has approximately thirteen years of experience as a practicing attorney. For nearly his entire
8 career, his practice has focused on litigation of wage & hour, consumer, and privacy class
9 action and representative action claims. Following graduation he immediately began working
10 for a nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he worked
11 directly with past presidents of the consumer attorneys and recipients of trial attorneys of the
12 year awards. He also worked for other firms that included former CAALA and CLAY trial
13 attorney of the year recipients. While with these firms, he advocated for the rights of consumers
14 and employees in class action litigation, civil rights and employment litigation, catastrophic
15 injuries, insurance bad faith and appellate litigation.

16 36. In 2013, he founded the law firm of Crosner Legal, P.C. which since its inception
17 has focused almost exclusively on plaintiff-side class actions lawsuits representing employees,
18 consumers and other victims. Currently, over ninety percent (95%) of his practice is dedicated
19 exclusively to the prosecution of class actions and representative action lawsuits, and his law
20 firm is currently responsible as lead counsel or co-lead counsel for prosecuting over one
21 hundred (100) active wage and hour class actions and/or PAGA representative actions, as well
22 as a multitude of consumer and privacy class actions, in both federal and state courts throughout
23 California. He has been a direct participant in over one hundred (100) class action and/or
24 representative action settlements where he has been approved as adequate lead counsel.

25 37. Mr. Crosner has been selected by Super Lawyers as a "Southern California
26 Rising Star" for employment and labor law consecutively from 2018 through 2023. Super
27 Lawyers has also named me on their "Up-and-Coming 100" Southern California Rising Stars
28 List for consecutive years from 2021 through 2023. Only 2.5% of lawyers within California are

1 named a Super Lawyer Rising Star and even less are added to their Top Lists. Additionally, he
2 has been selected as a Top 40 Under 40 Civil Plaintiff Attorney by the National Trial Lawyers,
3 invitation-only organization composed of the premier trial lawyers, from 2019 through 2023.
4 He is an active participant in advocacy groups, including as an executive board member of the
5 Wage and Hour Committee and the Legislative Committee for the California Employment
6 Lawyers Association; a member of the Grassroots Advocacy Team for the National
7 Employment Lawyers Association; Wage and Hour Committee member and Class Action
8 Committee member for the National Trial Lawyers; a member of the American Association for
9 Justice; and a member of the Pound Civil Justice Institute.

10 38. Jamie Serb is a partner with Crosner Legal and head of the firms' Wage & Hour
11 Practice Group. She graduated from the University of California, San Diego in 2004, graduated
12 from California Western School of Law in 2013, and has been a member of the California Bar
13 since 2013. She gained extensive experience in wage and hour litigation, beginning work as a
14 class action attorney in 2015 at the Mara Law Firm, PC (previously Turley & Mara Law Firm,
15 APLC; Turley Law Firm, APLC). She joined Crosner Legal on January 4, 2021 as an associate
16 attorney. She has handled wage and hour class actions and PAGA lawsuits for over eight years
17 and has assisted in obtaining millions of dollars for employees during her years of practice.

18 39. Kiara Bramasco received her undergraduate degree, magna cum laude, from
19 Loyola Marymount University in Political Science, and then received her JD from Loyola Law
20 School in 2018. She then spent several years with well-known plaintiff's firm Moss Bollinger,
21 first as a law clerk and then as an associate, where her practice focused on employment law,
22 particularly wage and hour class action and PAGA litigation. She joined Crosner Legal in 2021.

23 40. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class
24 action settlements while serving as lead class counsel in recent years, including but not limited to
25 a \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America,*
26 *Inc.*, Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action
27 settlement in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252
28 (Sacramento Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017

(*Montelone v. Ocean Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v. First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super. Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a \$2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super. Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo Autism Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million wage and hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*, Case No. 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour class action settlement in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty. Super. Court); a \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*, Case No. 20STCV06618 (Los Angeles Cty. Super. Court); and a \$1.925 million wage and hour class settlement in *Lo v. Cyberpower, Inc.*, Case No. 21STCV31479 (Los Angeles Cty. Super. Ct).

1 41. Fourth, our office has been representing Plaintiff (and the State of California) in this
2 matter on a strictly contingent basis and as such, had to forego other financial opportunities to
3 litigate other cases, incurred the risk of non-recovery after a substantial investment of time, money,
4 and resources, and have done so since the inception of this case without any payment or
5 compensation. This is not an easy burden for a small firm. If, despite these hardships and risks, the
6 best this office could hope for is merely to be paid our customary hourly rate multiplied by the
7 number of hours worked on the case, then we would not be compensated for the hardships and
8 serious risks it faced litigating this contingency case, and would not be incentivized to take on
9 similar private attorney general cases in the future.

10 42. Fifth, the request for attorney's fees in the amount of one-third of the common
11 fund falls well within the norms accepted by state and federal courts in California in comparable
12 wage and hour actions actually handled by this office. Moreover, the award of a one-third fee
13 recovery under the common fund doctrine was recently approved by the California Supreme
14 Court in Laffitte v. Robert Half Int'l, Inc. (2016) 1 Cal.5th 480.

15 43. Under the adjusted Laffey Matrix, a reasonable rate for an attorney with 10-plus
16 years of experience, such as Mr. Crosner and Ms. Serb, is over \$800. Similarly, the December 8,
17 2008 article, "Billable Hours Aren't the Only Game in Town Anymore," NATIONAL LAW
18 JOURNAL, which set forth the following hourly billing rates as reported by Sheppard, Mullin,
19 Richter & Hampton, a leading firm in the defense of wage-and-hour class actions that I have
20 opposed when litigating wage-and-hour class actions: Partners: \$475-\$795; Associates: 1st Year -
21 \$275, 2nd Year - \$310, 3rd Year - \$335, 4th Year - \$365, 5th Year - \$390, 6th Year - \$415, 7th
22 Year - \$435, 8th Year - \$455.36.

23 44. I have personal knowledge of the hourly rates charged by a number of plaintiff-
24 side wage and hour class action firms in the Bay Area, Los Angeles and San Diego markets, for
25 partner-level attorneys with experience comparable to mine and to that of my colleagues. These
26 rates have range from \$650 to \$850 per hour for calendar years 2017-2021. Some examples
27 include attorney Matthew Matern of Matern Law Group in Los Angeles, with approximately 26
28 years of experience \$850/hour (2018); Sean Setareh of Setareh Law Group, with approximately

1 25 years of experience, \$1,125/hr (2023); Craig Ackermann of Ackermann & Tilajef, PC with
2 approximately 25 years of experience \$850/hour (2021), Michael Malk of Malk APC in Los
3 Angeles, with approximately 16 years of experience \$650/hour (2018), Michael Singer and Isam
4 Khoury of Cohelan Khoury & Singer in San Diego, 35 years and 45 years of experience
5 respectively, both \$825/hour (2018), Jason Ehrlich of McCormack & Ehrlich LLP in San
6 Francisco, with approximately 17 years of experience \$750/hour (2017), and James Kawahito of
7 Kawahito Law Group in Los Angeles, with approximately 16 years of experience \$750/hour
8 (2020).

9 45. Based upon the foregoing, as well as our qualifications and experience set forth
10 above, the following hourly rates are reasonable: Zachary M. Crosner \$800/hr., Michael Jones
11 \$600/hr, Jamie Serb \$750/hr, Kiara Bramasco \$650/hr. Plaintiff requests the Court apply the
12 above hourly billing rates in this case, as these rates are reasonable in the California legal market
13 for attorneys handling wage and hour class actions and PAGA representative actions.

14 46. I have reviewed the work performed on the case and the billing inputted, Crosner
15 Legal's lodestar currently totals approximately \$109,880 based on 162.1 attorney hours spent
16 litigating the case, exclusive of time for attending the hearing on the approval motion and time to
17 be incurred thereafter to implement and administer the settlement. A true and correct summary of
18 Crosner Legal's tasks performed and time expended is attached hereto as Exhibit 5.

19 47. Based the lodestar analysis above, the requested award of 1/3 of the common fund,
20 or \$108,333.33, results in a fee request that is less than the base lodestar and accordingly there is
21 no request for a modifier. I submit this shows the reasonableness of the fee request since the
22 fee request is lower than the actual value of the services rendered.

23 48. I also request reimbursement of Crosner Legal's actual out-of-pocket expenses
24 incurred to prosecute this action. These expenses were incidental and necessary to the effective
25 representation of the employees.

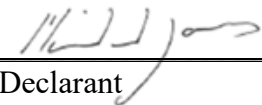
26 49. The firm's costs are \$10,017.28. The requested costs include filing fees, service
27 of process, mediation fees, and postage. Notably, the requested costs do not include any and all
28 printing, copying, and research charges. The requested costs are reasonable and uncontested, and

1 should be approved. A true and correct itemization of the costs and expenses incurred is set forth
2 below:

Expense Category	Amount
Court Filing Fees/Service of Process/Attorney Service	\$1,219.67
Mediation Fees	\$6,000.00
PAGA Filing Fees	\$75.00
Expert Fees	\$2,610.00
Postage/Delivery	\$112.61
Legal/Financial Research	(waived)
Photocopies	(waived)
Total Costs and Expenses	\$10,017.28

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9 50. For the foregoing reasons, it is respectfully requested that the Court approve the
10 settlement.

11 I declare under penalty of perjury under the laws of the State of California that the
12 foregoing is true and correct. Executed this 3rd day of June 2023, at Los Angeles, California.

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15 _____
16 Declarant
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EXHIBIT

1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Julio Lopez (“Plaintiff”) and Defendants Steven Label, LLC (A Delaware LLC); Steven Label Corporation; and Steven Label, LLC (A California LLC) (referred to collectively as “Steven Label” or “Defendants”). The Agreement refers to Plaintiff and Steven Label collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Steven Label captioned Julio Lopez v. Steven Label, LLC et al., initiated on July 5, 2022 and pending in Superior Court of the State of California, County of Los Angeles, Case No. 22STCV21691.
- 1.2. “Administrator” means Simpluris, 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 non-exempt employees that worked for Defendants at any location in California at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Steven Label’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. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of Los Angeles.
- 1.9. “Defense Counsel” means Beth Kahn, Esq., Matthew Richardson, Esq., and Musick, Peeler & Garrett LLP.
- 1.10. “Effective Date” means the date when the Court enters Judgment on its Approval

Order. The Judgment is final as of the date the Court enters the Judgment.

- 1.11. “Gross Settlement Amount” means \$325,000 which is the total amount Steven Label agrees to pay under the Settlement except as provided in Paragraphs 8 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, and the Administrator’s Expenses Payment.
- 1.12. “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.
- 1.13. “Judgment” means the judgment entered by the Court based upon the Court’s approval of the settlement.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.15. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.17. “Notice of PAGA Settlement” means the letter, substantially similar to the form attached hereto as **Exhibit A**, explaining the Settlement to the Aggrieved Employees, which will accompany each settlement check.
- 1.18. “PAGA Counsel” means Zach Crosner, Esq., Jamie Serb, Esq., Michael Jones, Esq., and Crosner Legal PC; the attorneys representing the Plaintiff in the Action.
- 1.19. “PAGA Counsel Fees Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action.
- 1.20. “PAGA Counsel Litigation Expenses Payment” means the amount allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.
- 1.21. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Steven Label for at least one day during the PAGA Period.
- 1.22. “PAGA Period” means the period from May 1, 2021 to July 18, 2023.
- 1.23. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

- 1.24. “PAGA Notice” means Plaintiff’s April 28, 2022 letter to Steven Label and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.25. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (approximately \$49,416.67) and the 75% to LWDA (approximately \$148,250.00) in settlement of PAGA claims.
- 1.26. “Plaintiff” means Julio Lopez, the named plaintiff in the Action.
- 1.27. “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.28. “Released Parties” means: Steven Label and each of its past, present, and future parents, subsidiaries, affiliated companies, agents, managing agents, employees, servants, officers, directors, owners (whether direct or indirect), general partners, limited partners, trustees, representatives, shareholders, stockholders, members, franchisors, mortgagees or ground lessors, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and/or alleged joint employers, temporary staffing agencies, dual employers, potential and/or alleged dual employers, co-employers, potential and/or alleged co-employers, common law employers, contractors, affiliates, service providers, alter-egos, potential and/or alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns and any and all persons and/or entities acting under, by, through or in concert with any of them.
- 1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.30. “Steven Label” means named Defendants Steven Label, LLC (A Delaware LLC); Steven Label Corporation; and Steven Label, LLC (A California LLC).

2. RECITALS.

- 2.1. On July 5, 2022, Plaintiff commenced this Action by filing a Complaint seeking penalties against Steven Label pursuant to the Private Attorneys General Act, Cal. Labor Code §§ 2698 et seq. (“PAGA”) for Steven Label’s alleged violations of California employment law; including, but not limited to: meal period violations, rest period violations, unpaid minimum and overtime wages, inaccurate records, failure to produce records, unreimbursed business expenses, inaccurate wage statements, failure to provide suitable seating, standard conditions of labor violations, refusal to make payment,

statutory wage violations, sick leave violations, failure to provide supplemental paid sick leave, failure to timely pay all wages upon separation of employment, unlawful inquiries into salary history, and unlawful agreements-unlawful criminal history inquiries. The Complaint is the operative complaint in the Action (the “Operative Complaint.”) Steven Label denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in 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 Steven Label and the LWDA by sending the PAGA Notice.
- 2.3. On July 18, 2023, the Parties participated in an all-day mediation presided over by mediator Henry Bongiovi, Esq., which led to this Agreement to settle the Action.
- 2.4. Prior to mediation/negotiating the Settlement, Plaintiff obtained, through informal discovery, Plaintiff’s personnel file, Plaintiff’s time and wage records, a 20% sampling of employees’ time and wage records, the number of Aggrieved Employees and applicable pay periods, Steven Label’s applicable employee handbook and policies, provided to Aggrieved Employees during the PAGA Period.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Steven Label promises to pay \$325,000 and no more as the Gross Settlement Amount. Steven Label 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 Steven Label.
- 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 Approval Order:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (1/3) which is currently estimated to be \$108,333.33 and PAGA Counsel Litigation Expenses Payment of not more than \$15,000.00. Steven Label will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. As part of the Settlement approval motion, Plaintiff and/or PAGA Counsel will request approval 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 Steven Label harmless, and indemnifies Steven Label, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$4,000.00 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 \$4,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of approximately \$197,666.67 to be paid from the Gross Settlement Amount, with 75% (approximately \$148,250.00) allocated to the LWDA PAGA Payment and 25% (approximately \$49,416.67) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (approximately \$49,416.67) 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.

3.2.3.2. 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, Steven Label estimates there were 328 Aggrieved Employees who worked a total of 21,652 PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within 15 days, Steven Label 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. Steven Label 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 Steven Label 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. Steven Label 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 Steven Label funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the 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. 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 distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.
 - 4.4.3. 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.
 - 4.4.4. 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.

- 4.4.5. The payment of Individual PAGA Payments shall not obligate Steven Label 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 Steven Label fully funds the entire Gross Settlement Amount Plaintiff, Aggrieved Employees, and PAGA Counsel will release claims against all Released Parties as follows:

- 5.1 Release by Plaintiff and Aggrieved Employees. The State of California and all Aggrieved Employees, including Plaintiff, 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 PAGA Period facts stated in the Operative Complaint and the PAGA Notice.
- 5.2 Release by Plaintiff. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice. 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.
- 5.3 Release by PAGA Counsel. PAGA Counsel release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims for Attorneys' Fees and Costs incurred in connection with, or in any way related to, the Actions, the PAGA Period facts stated in the Actions, and the PAGA Notices, except for the right to enforce the provisions of this settlement providing for fees and costs.

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 and deliver to Defense Counsel 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; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other

misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) 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)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and 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 Order Granting Approval of PAGA Settlement 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 attempt to work together on behalf of the Parties by meeting in person or by telephone, and in good faith, try to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 CLAUSE

- 8.1 Based on its records, Steven Label estimates that there were 328 Aggrieved Employees who worked 21,652 PAGA Pay Periods during the PAGA Period.
- 8.2 The Gross Settlement Amount is based on Defendant's estimate that the Aggrieved Employees worked a total of 21,652 PAGA Pay Periods during the PAGA Period. If the actual number of PAGA Pay Periods encompassed within the PAGA Period increases by more than 10%, then Defendants at their exclusive discretion shall either (1) end the PAGA Period on the date on which the total number of PAGA Pay Periods is no more than 23,817, or (2) increase the Gross Settlement Amount by a pro-rata dollar value for the weeks in excess of the escalation margin. For example, if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%. Under the first option no additional payment is necessary.

- 9. NULLIFICATION OF AGREEMENT.** In the event: (i) the Court does not enter the Approval Order and approve the Released PAGA Claims specified herein; or (ii) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void. A reduction of the attorneys' fees and costs shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Agreement shall be treated as void from the beginning, and the provisions contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees already incurred by the settlement administrator shall be paid equally by both Parties.

- 10. 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.

- 10.1 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.

- 10.2 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and try to obtain approval of the Settlement and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of any payments to PAGA Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. ADDITIONAL PROVISIONS.

- 11.1 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 Steven Label that any of the allegations in the Operative Complaint have merit or that Steven Label has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Steven Label'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, Steven Label reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Steven Label'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 or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this PAGA Settlement Agreement).
- 11.2 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.
- 11.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Steven Label, 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.
- 11.4 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.

- 11.5 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.
- 11.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Steven Label 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.
- 11.7 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.
- 11.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.9 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.
- 11.10 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.
- 11.11 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.
- 11.12 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 Steven Label 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 all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Steven Label unless, prior to the Administrator's payment of all Settlement Funds, Steven Label makes a written request to PAGA Counsel for the return,

rather than the destructions, of Aggrieved Employee Data.

- 11.13 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.
- 11.14 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.
- 11.15 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:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Michael Jones
michael.jones@crosnerlegal.com
CROSNER LEGAL, PC
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Steven Label:

Beth Kahn
b.kahn@musickpeeler.com
Matthew Richardson
m.richardson@musickpeeler.com
MUSICK, PEELER & GARRETT LLP
333 South Hope Street, Suite 2900
Los Angeles, CA 90071

- 11.16 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.

11.17 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: 04 / 18 / 2024



Plaintiff Julio Lopez

Dated: _____

Defendant Steven Label Corporation
Defendant Steven Label, LLC (A Delaware LLC)
Defendant Steven Label, LLC (A California LLC)

Dated: 4/18/2024

CROSNER LEGAL, PC



Zachary Crosner, Esq.
Jamie Serb, Esq.
Michael Jones, Esq.
Attorneys for Plaintiff

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Dated: _____

Plaintiff Julio Lopez

Dated: 5-13-24



Defendant Steven Label, LLC (A California LLC)

Dated: 5-13-24



Defendant Steven Label, LLC (A Delaware LLC)

Dated: 5-13-24



Defendant Steven Label Corporation

Dated: _____

CROSNER LEGAL, PC

Zachary Crosner, Esq.
Jamie Serb, Esq.
Michael Jones, Esq.
Attorneys for Plaintiff

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

|

You are receiving this Notice because you are entitled to money as a result of a court approved settlement in *Julio Lopez v. Steven Label, LLC, et al.*, Los Angeles County Superior Court, Case No. 22STCV21691 (the “**Lawsuit**”).

What is this case about?

In the Lawsuit, Plaintiff Julio Lopez asserted representative claims against Defendants Steven Label, LLC (A Delaware LLC); Steven Label Corporation; and Steven Label, LLC (A California LLC), (collectively “Steven Label” or “Defendants”) on behalf of all current and former non-exempt employees that worked for Steven Label at any location in California during the period of May 1, 2021 through July 18, 2023 (the “**Settlement Period**”). Plaintiff alleges claims for penalties and unpaid wages pursuant to the Private Attorneys General Act of 2004 (“**PAGA**”) Labor Code section 2698 *et seq.* based on the alleged (1) meal period violations, (2) rest period violations, (3) unpaid minimum and overtime wages, (4) inaccurate records, (5) failure to produce records, (6) unreimbursed business expenses, (7) inaccurate wage statements, (8) failure to provide suitable seating, (8) standard conditions of labor violations, (9) refusal to make payment, statutory wage violations, (10) sick leave violations, (11) failure to provide supplemental paid sick leave, (12) failure to timely pay all wages upon separation of employment, (13) unlawful inquiries into salary history, and (14) unlawful agreements-unlawful criminal history inquiries.

Steven Label contends that it compensates employees in full compliance with the law. It denies each of the claims and contentions alleged by Plaintiff in the Lawsuit.

What are the terms of the Settlement?

Plaintiff and Steven Label reached a settlement which was reviewed and approved by the Court. Steven Label’s records show that you were employed by Steven Label in a covered position during the Settlement Period. Accordingly, you are entitled to an Individual PAGA Payment based on your percentage share of pay periods during the Period.

What should I do now?

You are automatically included in this Settlement. You may immediately deposit your enclosed settlement check and need not take any further action at this time.

EXHIBIT

2

~~MODEL~~ PAGA SETTLEMENT AGREEMENT¹

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This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Plaintiff Julio Lopez ("Plaintiff") and defendant XYZ ("XYZ" Defendants Steven Label, LLC (A Delaware LLC); Steven Label Corporation; and Steven Label, LLC (A California LLC) (referred to collectively as "Steven Label" or "Defendants"). The Agreement refers to Plaintiff and XYZ Steven Label collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

- 1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against XYZ Steven Label captioned Julio Lopez v. Steven Label, LLC et al., initiated on July 5, 2022 and pending in Superior Court of the State of California, County of Los Angeles, Case No. 22STCV21691.
- 1.2. "Administrator" means Simpluriss, 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 non-exempt employees that worked for Defendants at any location in California at any time during the PAGA Period [e.g., a person employed by XYZ in California and classified as a who worked for XYZ during the PAGA Period].
- 1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Steven Label XYZ'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. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. "Court" means the Superior Court of California, County of Los Angeles.
- 1.9. "Defense Counsel" means Beth Kahn, Esq., Matthew Richardson, Esq., and Musick, Peeler & Garrett LLP.
- 1.10. "Effective Date" means the date by when both of the following have occurred: (a)

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~~the Court enters a Judgment on its Order when the Court enters Judgment on its Approval Order. Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment. The Judgment is final as of the date the Court enters Judgment.~~

~~1.10.1.11.~~ “Gross Settlement Amount” means ~~\$325,000\$~~ which is the total amount ~~Steven Label XYZ~~ agrees to pay under the Settlement except as provided ~~in Paragraph 8 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, and the Administrator’s Expenses Payment.

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~~1.11.1.12.~~ “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.

~~1.12.1.13.~~ “Judgment” means the judgment entered by the Court based upon the ~~Final~~ Approval Court’s approval of the settlement.

~~1.13.1.14.~~ “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

~~1.14.1.15.~~ “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.16. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, ~~PAGA~~ Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

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~~1.15.1.17.~~ “Notice of PAGA Settlement” means ~~the letter, substantially similar to the form attached hereto as Exhibit A, explaining the Settlement to the Aggrieved Employees, which will accompany each settlement check.~~

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~~1.16.1.18.~~ “PAGA Counsel” means ~~_____~~, Zach Crosner, Esq., Jamie Serb, Esq., Michael Jones, Esq., and Crosner Legal PC: the attorneys representing the Plaintiff in the Action.

1.19. “PAGA Counsel Fees Payment” ~~and “PAGA Counsel Litigation Expenses Payment”~~ means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees ~~and expenses, respectively,~~ incurred to prosecute the Action.

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~~1.17.1.20.~~ “PAGA Counsel Litigation Expenses Payment” means ~~the amount allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.~~

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~~1.18.~~1.21. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for ~~XYZ~~ Steven Label for at least one day during the PAGA Period.

~~1.19.~~ “PAGA Period” means the period from May 1, 2021 to July 18, 2023 ~~to~~ 1.22.

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~~1.20.~~1.23. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

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~~1.21.~~1.24. “PAGA Notice” means Plaintiff’s April 28, 2022’s letter to Steven Label XYZ and the LWDA and Plaintiff’s letter to XYZ 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 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$49,416.67) (\$) and the 75% to LWDA (\$) (\$148,250.00) in settlement of PAGA claims.

1.25.

“Plaintiff” means Julio Lopez, the named plaintiff in the Action.

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~~1.23.~~ "Plaintiff" means , the named plaintiff in the Action.

~~1.26.~~

~~1.24.~~ "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

~~1.25.~~~~1.27.~~ "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

~~1.26.~~~~1.28.~~ "Released Parties" means: Steven Label + XYZ and each of its past, present, and future parents, subsidiaries, affiliated companies, agents, managing agents, employees, servants, officers, directors, owners (whether direct or indirect), general partners, limited partners, trustees, representatives, shareholders, stockholders, members, franchisors, mortgagees or ground lessors, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and/or alleged joint employers, temporary staffing agencies, dual employers, potential and/or alleged dual employers, co-employers, potential and/or alleged co-employers, common law employers, contractors, affiliates, service providers, alter-egos, potential and/or alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns and any and all persons and/or entities acting under, by, through or in concert with any of them. former and present directors, officers, shareholders, owners, [members], attorneys, insurers, predecessors, successors, assigns subsequent affiliates

~~1.27.~~~~1.29.~~ "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

~~1.28.~~~~1.30.~~ "Steven Label" "XYZ" means named Defendants Steven Label, LLC (A Delaware LLC); Steven Label Corporation; and Steven Label, LLC (A California LLC).

2. RECITALS.

2.1. On July 5, 2022, , Plaintiff commenced this Action by filing a Complaint seeking penalties against Steven Label pursuant to the Private Attorneys General Act, Cal. Labor Code §§ 2698 et seq. ("PAGA") for Steven Label's alleged violations of California employment law; including, but not limited to: meal period violations, rest period violations, unpaid minimum and overtime wages, inaccurate records, failure to produce records, unreimbursed business expenses, inaccurate wage statements, failure to provide suitable seating, standard conditions of labor violations, refusal to make payment, statutory wage violations, sick leave violations, failure to provide supplemental paid sick leave, failure to timely pay all wages upon separation of employment, unlawful inquiries into salary history, and unlawful agreements-unlawful criminal history inquiries. The Complaint is the operative complaint in the Action (the "Operative Complaint.") Steven Label denies the allegations in the Operative Complaint, denies any failure to comply with

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the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged alleging causes of action against XYZ for [redacted]. [The Complaint is the operative complaint in the Action (the "Operative Complaint.") (On [redacted], Plaintiff filed a [e.g., First Amended Complaint] alleging causes of action against XYZ for [redacted]. The [e.g., First Amended] Complaint is the operative complaint in the Action (the "Operative Complaint."))] XYZ denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in 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 Steven Label XYZ and the LWDA by sending the PAGA Notice.

2.3. On July 18, 2023, the Parties participated in an all-day mediation presided over by mediator Henry Bongiovi, Esq., which led to this Agreement to settle the Action.n [redacted].

~~2.3.~~ 2.4. Prior to mediation/negotiating the Settlement, Plaintiff obtained, through informal discovery, Plaintiff's personnel file, Plaintiff's time and wage records, a 20% sampling of employees' time and wage records, the number of Aggrieved Employees and applicable pay periods, Steven Label's applicable employee handbook and policies, provided to Aggrieved Employees during the PAGA Period.

~~2.3.~~ the Parties participated in an all-day mediation presided over by [redacted] which led to this Agreement to settle the Action.

~~2.3.~~ (describe alternative means of negotiation)

~~2.4.~~ Prior to mediation negotiating the Settlement, Plaintiff obtained, through informal discovery, [redacted]

2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

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2.5. MONETARY TERMS.

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3. MONETARY TERMS.

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3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Steven Label ~~9 below, XYZ~~ promises to pay \$325,000 ~~a\$~~ and no more as the Gross Settlement Amount. Steven Label ~~XYZ~~ has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph ~~4.36-4~~ of this Agreement.ⁱⁱⁱ 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 Steven Label ~~XYZ~~.

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 PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (1/3) ~~—~~ which is currently estimated to be \$ ~~_____~~ \$108,333.33 and PAGA Counsel Litigation Expenses Payment of not more than \$ ~~_____~~ \$15,000.00. ~~XYZ~~ Steven Label will not oppose requests for Court approval of these payments provided that they do not exceed these amounts.~~s.~~ ~~P~~ As part of the Settlement approval motion, Plaintiff and/or PAGA Counsel will request approval for PAGA 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 Steven Label ~~XYZ~~ harmless, and indemnifies ~~XYZ~~ Steven Label, from any dispute or controversy regarding any division or sharing of any of these Payments.

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3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed \$4,000.00 ~~\$~~ 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 \$ ~~_____~~ \$4,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$ ~~_____~~ approximately \$197,666.67 to be paid from the Gross Settlement Amount, with 75% (~~\$amount~~ approximately \$148,250.00) allocated to the

LWDA PAGA Payment and 25% (\$) (approximately \$49,416.67) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$) (\$49,416.67) 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.

3.2.3.2. 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, XYZ-Steven Label estimates there are were 328 Aggrieved Employees who worked a total 21,652 of PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within [e.g., 15] 15 days, XYZ-Steven Label 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. XYZ-Steven Label 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 XYZ-Steven Label 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. Steven LabelXYZ shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 [14] days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 [e.g., 14] days after XYZ Steven Label funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual

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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. 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.

4.4.1.4.4.2. The distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.

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4.4.2.4.4.3. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 - [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.

4.4.3.4.4.4. 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.

4.4.4.4.4.5. The payment of Individual PAGA Payments shall not obligate Steven Label-XYZ 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 Steven Label-XYZ fully funds the entire Gross Settlement Amount Plaintiff, Aggrieved Employees, and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs ReleaseRelease by Plaintiff and Aggrieved Employees. The State of California and all Aggrieved Employees, including Plaintiff, 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 PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

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5.1.5.2 Release by Plaintiff. Plaintiff and his or her respective former and present spouses,

representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~[that occurred during the PAGA Period]~~, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice (~~“Plaintiff’s Release”~~). Plaintiff ~~acknowledges that Plaintiff may’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, or based on occurrences outside the PAGA Period. 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 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 PAGA Period facts stated in the Operative Complaint [.] [and] the PAGA Notice.~~

5.3 — Release by PAGA Counsel:

5.3 PAGA Counsel release on behalf of ~~themselves and their present respective~~and former ~~and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and a attorneys, employees, agents, successors and assigns the Released Parties from all claims for Attorneys’ Fees and Costs PAGA Fees incurred in connection with, or in any way related to, the Actions, the PAGA Period facts stated in the Actions, and the PAGA Notices, except for the right to enforce the provisions of this settlement providing for fees and costs. the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.~~

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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 and deliver to Defense Counsel 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; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) 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. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (iv) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 ~~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 Preliminary Approval 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 Simpluris ~~to~~ to serve as the Administrator and verified that, as a condition of appointment the ~~the~~ Administrator ~~;~~ ; ~~agrees~~ 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~~ AND ESCALATOR CLAUSE

8.1 Based on its records, Steven Label XYZ estimates that, ~~as of the date of this Settlement Agreement, (1) there are~~ there were 328 Aggrieved Employees who worked ~~21,652~~ 21,652 ~~PAGA~~ Pay Periods during the PAGA Period.^{iv}

8.2 The Gross Settlement Amount is based on Defendant's estimate that the Aggrieved Employees worked a total of 21,652 PAGA Pay Periods during the PAGA Period. If the actual number of PAGA Pay Periods encompassed within the PAGA Period increases by more than 10%, then Defendants at their exclusive discretion shall either (1) end the PAGA Period on the date on which the total number of PAGA Pay Periods is no more than 23,817, (2) increase the Gross Settlement Amount by a pro-rata dollar value for the weeks in excess of the escalation margin. For example, if the number of pay periods increases by 11%, the Gross Settlement Amount will increase by 1%. Under the first option no additional payment is necessary.

9. NULLIFICATION OF AGREEMENT. In the event: (i) the Court does not enter the Approval Order and approve the Released PAGA Claims specified herein; or (ii) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void. A reduction of the attorneys' fees and costs shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Agreement shall be treated as void from the beginning, and the provisions contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties or their counsel. In such a case, the Parties and any funds to be awarded under this Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees already incurred by the settlement administrator shall be paid equally by both Parties.

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9.10. 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.

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109.1 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.

10.2 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and try to obtain approval of the Settlement and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of any payments to PAGA Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10.11. ADDITIONAL PROVISIONS.

~~10.1~~11.1 **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 Steven Label-XYZ that any of the allegations in the Operative Complaint have merit or that XYZ Steven Label has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that XYZ's Steven Label'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, XYZ Steven Label reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Steven Label's XYZ'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 or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this PAGA Settlement Agreement).

~~10.2~~11.2 **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~~11.3 **Attorney Authorization.** PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and XYZ, 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~~11.4 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~~11.5 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~~11.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Steven Label ~~XYZ~~ 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~~11.7 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~~11.8 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~~11.9 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~~11.10 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~~11.11 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~~11.12 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 Steven Label ~~XYZ~~ 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, Plaintiff shall destroy all paper and electronic versions of Aggrieved

Employee Data received from Steven Label-XYZ unless, prior to the Administrator's payment of all Settlement Funds, Steven Label-XYZ makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

~~10.13~~11.13 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~~11.14 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~~11.15 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:~~To Plaintiff:~~

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Michael Jones
michael.jones@crosnerlegal.com
CROSNER LEGAL, PC
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Steven Label:~~To XYZ:~~

Beth Kahn
b.kahn@musickeeler.com
Matthew Richardson
m.richardson@musickeeler.com
MUSICK, PEELER & GARRETT LLP
333 South Hope Street, Suite 2900
Los Angeles, CA 90071

~~10.16~~11.16 Execution in Counterparts. This Agreement may be executed in one or more

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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.

~~10-1711.17~~ 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: _____ Plaintiff Julio Lopez

Dated: _____

_____ Defendant Steven Label Corporation

_____ Defendant Steven Label, LLC (A Delaware LLC)

_____ Defendant Steven Label, LLC (A California LLC)

Dated: **CROSNER LEGAL, PC**

Zachary Crosner, Esq.
Jamie Serb, Esq.
Michael Jones, Esq.
Attorneys for Plaintiff

For Plaintiff

Counsel For Plaintiff Counsel For XYZ

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ⁱThis Form PAGA Settlement Agreement has been approved by the Court, the complex litigation judges and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour cases. It was drafted for settlements of single plaintiff PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple Plaintiffs or multiple Defendants. For settlements of wage and hour class actions that include PAGA claims, please use the Form Class Action and PAGA Settlement Agreement and Class Notice.

ⁱⁱ See endnote ii above. ~~THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS OR APPLICATIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

ⁱⁱⁱ The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto. ~~Assuming the possibility that XYZ is not in DR-1, the number of payments covering minimum wage owed employees on any 1000 employees for XYZ is approximately~~

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EXHIBIT

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Zachary Crosner, Esq.
Managing Attorney
Los Angeles Office
9440 Santa Monica Blvd.,
Ste. 301
Beverly Hills, CA 90210

zach@crosnerlegal.com
office: (310) 496-5818
fax: (310) 510-6429

April 28, 2022

VIA PAGA ONLINE FILING ONLY:

California Labor & Workforce
Development Agency
ATTN: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
PAGAfiling@dir.ca.gov

VIA U.S. CERTIFIED MAIL:

Steve Stong
Agent for Service of Process for:
Steven Label, LLC
11926 Burke Street
Santa Fe Springs, CA 90670

Steve Stong
Agent for Service of Process for:
Steven Label Corporation
11926 Burke St
Santa Fe Springs, CA 90670

Steven Label, LLC
Attn: Human Resources/ Legal Department
11926 Burke Street
Santa Fe Springs, CA 90670

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency; Steven Label, LLC; and
Steven Label Corporation
Date: April 28, 2022
Subject: *Julio Lopez v. Steven Label, LLC et. al.*

Introduction

This office represents COMPLAINANT, Julio Lopez (hereinafter “COMPLAINANT”) in connection with COMPLAINANT’s claims under the California Labor Code. COMPLAINANT was, at all relevant times herein mentioned, an employee of the following entities and individual managing agents of said entities: Steven Label, LLC; and Steven Label Corporation (hereinafter, these entities and their managing agents are collectively referred to as “EMPLOYER”). EMPLOYER may be contacted directly at the addresses listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, COMPLAINANT, on behalf of COMPLAINANT, and on behalf of all current and former non-exempt employees employed by EMPLOYER at any of their facilities or locations in California within one year of the date of this notice (“NON-EXEMPT AGGRIEVED EMPLOYEES”) and on behalf of all current and former exempt employees employed by EMPLOYER at any of their facilities or locations in California within one year of the date of this notice (“EXEMPT AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of COMPLAINANT’s claims against EMPLOYER. This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and EMPLOYER via certified mail to its Agent(s) for Service of Process or entity mailing address as provided to the California Secretary of State.

This NOTICE also serves to demonstrate COMPLAINANT’s reasonable attempt at settlement with EMPLOYER. If EMPLOYER is interested in settling this matter before a lawsuit is filed, EMPLOYER may contact Crosner Legal, P.C., at the address listed at the close of this NOTICE. This settlement attempt is in compliance with relevant California law. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by COMPLAINANT to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—COMPLAINANT reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, EMPLOYER is on notice that COMPLAINANT continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. For violations that are curable under § 2699.3(c) and that EMPLOYER intends to cure within the statutory time period set forth in §§ 2699 and 2699.3(c), the EMPLOYER shall provide notice including a description of the actions taken to cure. If the alleged violation is not cured within the statutory time period, COMPLAINANT will commence a civil action pursuant

to section 2699. For all other violations that are not curable, an action pursuant to section 2699(a) and 2699(f) will commence after the requirements under 2699.3 are fulfilled.

Based on the following summary of facts and theories upon which COMPLAINANT will base COMPLAINANT's claims, COMPLAINANT requests that the LWDA regard this NOTICE as written notice of COMPLAINANT's intent to seek civil penalties against EMPLOYER.

COMPLAINANT, on behalf of COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES, alleges that the specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 216, 221-223, 226, 226.7, 245-248.5, 432, 432.3, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

The Named Entities Are Joint Employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES

California courts have recognized that the definition of "employer" for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California's labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

COMPLAINANT is informed and believes and thereon alleges that at all relevant times EMPLOYER and unknown entities operated as a single integrated enterprise with common ownership and centralized human resources as set forth herein. Under California law, in determining whether two defendant entities are liable as an integrated enterprise, courts consider four factors: (1) centralized control of labor relations; (2) interrelation of operations; (3) common management; and (4) common ownership or financial control. *Laird v. Capital Cities/ABC, Inc.* (1998) 68 Cal.App.4th 727, 737 (overruled on other grounds, *Reid v. Google, Inc.* (2010) 50 Cal. 4th 512 (2010).)

COMPLAINANT believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT at all relevant times herein, so as to be considered the joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES. By reason of their status as joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, they are each liable for civil penalties for violations of the California Labor Code and applicable Wage Orders as to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Individual Liability Under Labor Code § 558.1

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. EMPLOYER, at all relevant times, was an employer or person acting on behalf of employer(s) who violated COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' rights by violating various sections of the California Labor Code. The California Legislature defines "other person acting on behalf of an employer" as "*a natural person who is an owner, director, officer, or managing agent of the employer.*" The "managing agent" definition mirrors that found in California's punitive damages statute (subdivision (b) of section 3294 of the Civil Code). Under that statute and supporting case law, "managing agents" are all employees who exercise substantial independent authority and judgment in their corporate decision-making such that their decisions ultimately determine corporate policy. *White v. Ultramar, Inc.* (1999) 21 Cal. 4th 563, 566-67. For the reasons set forth above and others, at all relevant times, any above-listed individuals meet the criteria of managing agents under California law, and therefore, may be held liable under California Labor Code sections 558 and 558.1 for violations of Labor Code §§ 203, 226, 226.7, and 1194 as further described in detail below.

COMPLAINANT intends to further name any unknown individuals responsible for violations arising under Labor Code sections 558 and 558.1 after further discovery. COMPLAINANT will ask the Court to relate the amendment of the PAGA charge and the operative complaint to the date of filing of these charges. COMPLAINANT asks and demands that EMPLOYER put these individuals on notice immediately to provide them as much notice possible to mount in defense. In the alternative, COMPLAINANT also offers to EMPLOYER to place those individuals on notice if EMPLOYER voluntarily provides their contact information.

General Information

EMPLOYER owns, operates or otherwise manages several plants, facilities, and/or locations in California including but not limited to facilities in Santa Fe Springs, California and Temecula California. EMPLOYER also owns, operates, or otherwise manages facilities that operate divisions of Steven Label, LLC and/or Steven Label Corporation including but not limited to Robinson Printing and Gold Coast. EMPLOYER, through its various facilities/locations serves manufactures in the medical, consumer, industrial, electronic, automotive, and aerospace industries by, among other services, designing, printing, and producing labels for products sold by client companies and manufacturers in these industries¹ and/or by printing product instructions for client companies and manufacturers. Although EMPLOYER may operate successful companies or have a noble mission, EMPLOYER does not comply with California's labor laws.

COMPLAINANT is currently employed by EMPLOYER as a non-exempt employee. COMPLAINANT worked for EMPLOYER as a press operator or similar title from in or around April 2014 through in or around late May 2021, when COMPLAINANT went on leave.

¹ See <https://www.stevenlabel.com/>. Last visited on April 28, 2022.

COMPLAINANT worked for EMPLOYER out of a couple of EMPLOYER's locations including but not limited to two of EMPLOYER's facilities located in Santa Fe Springs, California. COMPLAINANT regularly worked at least eight (8) hours per day, at least (5) days per week. EMPLOYER paid COMPLAINANT an hourly rate for time counted by EMPLOYER as hours worked.

Among other things, EMPLOYER (1) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES; (2) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked; (3) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES at least minimum wage for all hours worked and overtime/regular rates for corresponding work; (4) failed and continues to fail to pay proper overtime wages for failure to incorporate all non-discretionary compensation into the overtime premium pay calculations; (5) failed and continues to fail to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with proper meal and/or rest breaks, and/or compensate COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of premium pay at the regular rate of compensation for missed/improper meal and/or rest periods; (6) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (7) failed and continues to fail to place COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (8) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES; (9) made unlawful deductions from COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' paychecks; (10) failed and continues to fail to timely pay wages to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES during employment and/or upon separation of employment; (11) failed and continues to fail to reimburse COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (12) conducted and continues to conduct illegal criminal and/or financial background checks as a condition of COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' hire and continued employment; (13) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose arrests not resulting in convictions and/or to disclose convictions prior to extending an offer of employment and/or otherwise impermissibly inquired and continues to inquire into COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES', and/or EXPEMPT AGGRIEVED EMPLOYEES' criminal history on their employment applications and sign off on same as a condition of employment; (14) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGREIVED EMPLOYEES to disclose their salary history; (15) failed and continues to fail to provide suitable seating; and (16) required and continues to require COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES to agree in

writing to a term or condition that violates the law as a condition of employment. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

Recordkeeping Requirement Violations: California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, EMPLOYER failed, and continues to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES by virtue of EMPLOYER’s time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by virtue of EMPLOYER’s failure to relieve COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER’s control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, EMPLOYER further failed, and continues to fail, to record the true start and end times of COMPLAINANT’s and NON-EXEMPT AGGRIEVED EMPLOYEES’ meal periods.

Based on further information and belief, EMPLOYER further failed and continues to fail, to record the true start and end times of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES’ work shifts.

Additionally, EMPLOYER failed, and continues to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

EMPLOYER’s failure to keep “accurate and complete” payroll records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor

Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.²

Violations of Labor Code Sections 226(b)-(c), 1198.5, and 432:

Time and Pay Records

Labor Code section 226 and all applicable IWC Wage Orders, section 7 require that employers keep the following information on file for each employee for a minimum of three years: The employee's dates of employment; the employee's hourly rates and the corresponding number of hours worked by the employee at each hourly rate, when the employee begins and ends each work period (including meal periods) and split intervals; total hours worked by the employee; all deductions; gross wages earned; and net wages earned.

Section (b) of Labor Code section 226 further requires employers to "afford current and former employees the right to inspect or receive a copy of records pertaining to their employment upon reasonable request to the employer." Section (c) of Labor Code section 226 provides that, "an employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request. A violation of this subdivision is an infraction." An employer's failure to comply within this timeframe entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 226(f).

Personnel Records

In addition to their right to time and pay records, employees, and their representatives, have the right to inspect and receive a copy of their personnel files pursuant to Labor Code section 1198.5. This statute applies to both former and current employees. Labor Code section 432 further specifies that employers must furnish copies of all employment records bearing the employee's signature.

Labor Code section 1198.5 also requires that the file be made available for inspection or receipt within a "reasonable" amount of time, but "not later than 30 calendar days from the date the employer receives a written request." An employer's failure to comply within this timeframe likewise entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 1198.5(k).

Based on information and belief, EMPLOYER fails to timely produce or make available a current or former employee's personnel records and/or payroll records when requested pursuant to Labor Code sections 226, 1198.5, 432, and/or the applicable Wage Order. For example, COMPLAINANT sent a request for payroll and personnel records to EMPLOYER. Yet, EMPLOYER failed to timely produce complete records within the time periods delineated by California labor law. Based on information and belief, EMPLOYER failed and continues to fail to timely produce complete payroll and personnel records when requested by NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES.

² See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

These violations subject EMPLOYER to penalties under Labor Code sections 226, 1198.5, and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.

Meal Period Violations: California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10th hour of work. *Ibid.* Meal periods can be waived, but only under the following circumstances: (1) if an employee's total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee's total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if the first meal period was not waived. *Ibid.* Upon information and belief, COMPLAINANT did not sign a valid meal period waiver throughout COMPLAINANT's employment by EMPLOYER.

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3) ("Meal periods . . . shall also be recorded"); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing section 7(A)(3) ("If an employer's records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided").

Employers must pay employees an additional hour of wages at the employees' regular rate of pay for each missed or unlawful meal period (e.g., less than 30 minutes, interrupted meal period, first meal period provided after five (5) hours, second meal period provided after 10 hours). Lab. Code § 226.7; all applicable IWC Wage Orders, §11(B) ("If an employer fails to provide an employee a meal period in accordance with the applicable provision of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided"); *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES consistently worked shifts of five and a one-half (5 ½) hours or more.

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute,

uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to understaffing, the nature and constraints of their job duties and/or commentary from supervisors pressuring them to take non-compliant meal breaks or skip meal breaks completely. For example, at least once a month, COMPLAINANT was forced to take a late meal period due to his need to help repair a machine and/or otherwise complete assigned job duties.

Additionally, EMPLOYER required COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES to remain on EMPLOYER's premises during purport meal periods. As a result, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES took their meal periods within the facility in which they worked. As such, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES remained subject to EMPLOYER's control during purported meal periods, thereby rendering the meal periods unlawful.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were consistently suffered and permitted to take meal periods past the fifth hour of work and/or had their meal periods interrupted, cut short, restricted to EMPLOYER's premises and/or otherwise on duty due to commentary from supervisors, understaffing, the nature and constraints of their job duties, and/or the need to meet EMPLOYER's goals and expectations.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control during unpaid meal breaks.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES to complete off-the-clock work prior to their scheduled shift time which EMPLOYER failed to take into account when scheduling meal periods for NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, meal periods were late, in part due to unaccounted pre-shift off-the-clock work.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its policies and practices resulted in the denial of uninterrupted meal periods which were free of EMPLOYER's control owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

Moreover, per EMPLOYER's uniform policy and practice, NON-EXEMPT AGGRIEVED EMPLOYEES who worked shifts of more than ten hours did not receive a second legally compliant thirty (30) minute second meal break. For example, when COMPLAINANT worked more than ten hours in a shift, COMPLAINANT was not provided with a second meal period.

Based on information and belief, despite EMPLOYER's failure to provide lawful meal periods, EMPLOYER implemented a policy and/or practice of rounding the start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods and/or automatically deducting at least thirty minutes per shift for missed and/or otherwise unlawful meal

periods (including meal periods restricted to EMPLOYER's premises), despite having actual and/or constructive knowledge that COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES did not receive lawful meal periods.

Moreover, based on information and belief, EMPLOYER failed to keep accurate records of the true start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods. Based on information and belief, to the extent meal period were recorded, EMPLOYER illegally rounded the start and end times of purported meal periods resulting in COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES not being paid for all time worked as well as late and/or shortened meal periods. *See Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58.

Based on information and belief, EMPLOYER failed to instruct COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as to the timing and duty-free nature of meal periods. Based on further information and belief, EMPLOYER did not have a compliant written meal break policy, nor did EMPLOYER have any sort of compliant policy in practice. Liability for the NON-EXEMPT AGGRIEVED EMPLOYEES can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable Wage Order requirements. The fact that employees may legally waive meal breaks does not affect this result. *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT is further informed and believes and thereon alleges that EMPLOYER had actual and/or constructive knowledge that its time-rounding and/or auto-deduction policies and practices resulted in the denial of lawful meal periods owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

EMPLOYER failed to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of compensation for each workday a lawful meal period was not provided. EMPLOYER either failed to pay a meal period premium at all for each workday a lawful meal period was not provided and/or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.³ EMPLOYER's failure to provide valid meal periods,

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil

and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, §12(A). In *Brinker v. Restaurant Corp.*, *v. Superior Court*, 53 Cal.4th 1004 (2012), the California Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6 hours in length, two 10-minute rest periods for shifts more than 6 hours up to 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at 1029). The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s). Lab. Code §226.7; applicable IWC Wage Order, §12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided").

EMPLOYER did not properly authorize and provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with legally compliant rest periods at a rate of every four (4) hours worked or major fraction thereof, that insofar as practicable, are provided in the middle of the work period, as required by law.

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were not adequately informed, authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California law. Based on information and belief, EMPLOYER had no policy in place nor instruction as to the taking of duty-free rest periods. Based on information and belief, EMPLOYER did not have a compliant written rest period policy, nor did EMPLOYER have any sort of compliant rest period policy in practice. For example, all purported rest periods were restricted to EMPLOYER's premises. As such, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were required to remain within the plant/facility where they worked during purported meal periods.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES' rest periods were interrupted, cut short, on duty, restricted to premises and/or late due to understaffing, the nature and constraints of their job duties, and/or due to commentary from supervisors/ managers pressuring NON-EXEMPT AGGRIEVED EMPLOYEES to skip rest breaks completely or otherwise take non-compliant rest periods.

penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

Moreover, EMPLOYER failed to provide any form of a third rest period on shifts lasting longer than ten hours. For example, when COMPLAINANT worked shifts lasting longer than ten hours, COMPLAINANT was not afforded the opportunity and/or was not permitted to take a third ten-minute rest period. Moreover, when COMPLAINANT worked a shift on Saturdays (which usually lasted at least 6-7 hours) COMPLAINANT was not provided with any rest periods.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control during rest periods.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were pressured to complete their work duties according to a designated schedule such that rest breaks were only taken once tasks were completed, and/or as time permitted.

Furthermore, EMPLOYER failed to pay a rest period premium for each day in which NON-EXEMPT AGGRIEVED EMPLOYEES experienced a missed or otherwise unlawful rest period in violation of California law. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872. EMPLOYER failed to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of pay for each workday a proper rest period was not provided. EMPLOYER either failed to pay a rest period premium at all for each workday a lawful rest period was not provided and/or failed to pay the proper rest period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay, and/or other non-discretionary compensation into the regular rate of compensation for purposes of calculating the owed rest period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

Minimum Wage Violations: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorneys’ fees, and costs of suit.” Labor Code section 1194.

⁴ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); and All applicable IWC Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Therefore, an employer's failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee's total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324. Furthermore, "in any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon..." *Cal. Lab. Code* § 1194.2.

EMPLOYER failed to compensate COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER's automatic deduction and time rounding policies, and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods, including but not limited to meal periods restricted to EMPLOYER's premises. As explained above, COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods were restricted to EMPLOYER's premises. Moreover, at times, COMPLAINANT was forced to take a late, shortened, interrupted, or otherwise work through a portion of his meal period as a result of his need to help fix a machine or complete other work tasks. Based on information and belief NON-EXEMPT AGGRIEVED EMPLOYEES took meal periods that were restricted to EMPLOYER's premises and/or otherwise took meal periods that were late, short, on duty, or otherwise not relieved of all duties and employer control.

Based on information and belief, EMPLOYER implemented a policy and/or practice of rounding meal period start and end times and/or automatically deducting at least thirty minutes per shift for meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were subject to EMPLOYER's control during purported meal periods and/or were otherwise not afforded with lawful meal periods, depriving COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all wages owed.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were not paid for all hours worked due to EMPLOYER's policy and/or practice of paying according to scheduled hours worked instead of actual time worked, and/or mandated off-the clock work policies and/or practices.

Based on information and belief, EMPLOYER failed to pay NON-EXEMPT AGGRIEVED EMPLOYEES for time they were required to spend completing orientation, policy questionnaires, and/or time spent completing the onboarding process including but not limited to reviewing various documents and policies provided by EMPLOYER. Based on information and belief, this work time was completed off-the-clock and was not compensated.

Based on further information and belief, EMPLOYER implemented a time-rounding system that as applied systematically deprived COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of compensable time because the time-rounding system implemented by EMPLOYER would almost always, if not always, result in understating actual compensable work time. EMPLOYER's failure to pay for all time worked by virtue of its time-rounding practices resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

EMPLOYER's failure to pay for all time worked by virtue of its time rounding, auto-deduction policies and practices for unlawful meal periods, failure to provide lawful meal periods, and/or other off-the-clock work practices and policies, resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its time rounding policies/practices, auto-deduction policies and practices, failure to provide lawful meal periods and/or other off-the-clock work resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code §510; IWC Wage Order All applicable IWC Wage Orders §3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in a work week. *Ibid.*

Based on information and belief, EMPLOYER violated California's overtime laws by, among other things, failing to correctly calculate, or record, the total number of hours worked by

⁵ See Lab. Code §1197.1(a) (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and not paying proper overtime rates for overtime worked by virtue of same.

Namely, EMPLOYER's automatic deduction and time rounding policies and practices for meal periods, payment according to scheduled hours worked rather than actual time worked, off-the-clock/unpaid work completed during meal periods or time spent restricted to EMPLOYER's premises and/or subject to EMPLOYER's control during off-the-clock meal periods (described above), and/or other off-the-clock work resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay premium wage rate for all hours worked beyond eight (8) hours in a day or beyond forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay twice NON-EXEMPT AGGRIEVED EMPLOYEES' regular rate(s) of pay for time worked beyond twelve (12) hours per workday and for time worked beyond eight (8) hours on the seventh consecutive day of work in a work week, in violation of California's overtime laws.

Based on information and belief, EMPLOYER failed to incorporate all non-discretionary remuneration, including but not limited to, shift differential pay, bonus pay, and/or other non-discretionary pay into the regular rate of pay used to calculate the owed overtime rate(s), resulting in the miscalculation and underpayment of overtime wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁶

Violation of California Labor Code §§ 245-248.5: Throughout the relevant time period, EMPLOYER failed to provide proper paid sick leave to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to

⁶ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to EMPLOYER's premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay, commission and/or piece-rate compensation and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, EMPLOYER further failed to provide notice of the correct sick leave amount balance available to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES on their wage statements or other written statement.

Based on information and belief, EMPLOYER failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, EMPLOYER failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, EMPLOYER failed to provide notice of sick leave amount balance left for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, thus affecting their intelligent exercise of their paid sick leave. But for this failure, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and COMPLAINANT seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

In violation of Labor Code section 247.5, EMPLOYER failed to maintain records documenting the hours worked and paid sick days accrued and used by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, permitting the presumption that COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were entitled to the maximum number of hours accruable under this article.

Upon information and belief, EMPLOYER further failed and continues to fail to comply with Labor Code section 246, by failing to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

EMPLOYER unlawfully retained and continues to retain paid sick leave that should have been paid but was not, as a result of EMPLOYER's failure to properly institute a paid sick leave program.

On information and belief, COMPLAINANT alleges that all of these practices were experienced and continue to be experienced by other NON-EXEMPT AGGRIEVED EMPLOYEES.

COMPLAINANT requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to EMPLOYER's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. COMPLAINANT requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave: Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, EMPLOYER violated Labor Code section 248.2 by not providing NON-EXEMPT AGGRIEVED EMPLOYEES with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment: Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

EMPLOYER violated and continues to violate Labor Code section 216 by failing to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked at the proper wage rate and by failing to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.⁷

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage

⁷ Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

statement in writing that contains 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; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (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. Cal. Lab. Code. section 226(a).

As EMPLOYER failed to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with meal and rest periods that complied with Labor Code section 226.7, the wage statements EMPLOYER issued to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES failed and continue to fail to correctly set forth (a) the gross wages earned, in violation of Labor Code section 226(a)(1); (b) the total hours worked by the employee in violation of Labor Code section 226(a)(2); (c) the net wages earned, in violation of Labor Code section 226(a)(5); and (d) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

EMPLOYER's wage statements that it provided to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES also failed to indicate the earned gross and net wages earned during the pay period, the correct applicable rates of pay for all hours worked, and the "total hours worked" by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES (by virtue of rounded time entries, automatic deduction for meal periods/failure to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and employer control during unpaid meal periods, payment according to scheduled hours worked rather than actual hours worked, and/or other off-the-clock work policies and practices), which results in a violation of Labor Code section 226(a). Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

Based on information and belief, wage statements issued by DEFENDANTS failed to list the inclusive dates of the pay period for which the NON-EXEMPT AGGRIEVED EMPLOYEE or EXEMPT AGGRIEVED EMPLOYEE is being paid.

EMPLOYER's failure to accurately list all hours worked on all wage statements caused confusion to COMPLAINANT and caused and continues to cause confusion to the NON-EXEMPT AGGRIEVED EMPLOYEES over whether they received all wages owed to them. COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were injured by EMPLOYER's failure to provide accurate wage statements.

In addition, because of the violations detailed above, including but not limited to, not paying regular and overtime wages for all hours worked, not paying all sick leave wages at the proper rates, and failing to provide meal and rest break premiums, EMPLOYER has violated California Labor Code § 226 by willfully failing to furnish COMPLAINANT and NON-EXEMPT

AGGRIEVED EMPLOYEES with accurate, itemized wage statements. As described herein, based on information and belief, EMPLOYER also failed to incorporate all forms of non-discretionary compensation earned during the pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

Moreover, based on information and belief, EMPLOYER issued wage statements to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that further violate Labor Code section 226(a), by among other things, failing to list the correct name and/or address of the legal entity that is the employer.

As a result, the wage statements provided to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were not accurate and did not include all of the statutorily required information.

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated.⁸

Semimonthly Payment Violations: Labor Code section 204 requires that all earned wages must be paid to employees twice during each calendar month. EMPLOYER violated this section by, including but not limited to, failing to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for meal and rest periods not provided and/or otherwise unlawful, by failing to compensate employees for all hours worked, and by failing to pay proper premium wage rates for all hours worked. These violations subject EMPLOYER to civil penalties under Labor Code section 210. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute's provisions were violated.

Seating Violations: Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be

⁸ See Lab. Code §226.3 (establishing that the civil penalty is “per employee per violation”).

permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, EMPLOYER failed to provide NON-EXEMPT AGGRIEVED EMPLOYEES with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that NON-EXEMPT AGGRIEVED EMPLOYEES were working. Lastly, based on information and belief, there were periods of time when NON-EXEMPT AGGRIEVED EMPLOYEES were not engaged in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

EMPLOYER's NON-EXEMPT AGGRIEVED EMPLOYEES worked in various positions. The nature of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' work reasonably permitted the use of seats. However, EMPLOYER failed to provide suitable seating in reasonable proximity to NON-EXEMPT AGGRIEVED EMPLOYEES' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting EMPLOYER to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.⁹

Standard Conditions of Labor Violations: Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission.

Therefore, EMPLOYER's violations, including but not limited to, with respect to meal periods, rest periods, recordkeeping provisions, minimum wages and overtime wages, suitable seating, and business expenses, result in separate violations of sections 1198 and 1199, which subject EMPLOYER to civil penalties under Labor Code sections 1197.1 and 2699.

Statutory Wage Violations: Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, EMPLOYER willfully and systematically denied COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of minimum and overtime wage compensation for

⁹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

all hours worked which resulted in the payment of less than statutorily required wages owed to them. EMPLOYER acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, EMPLOYER paid COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES lower wages than those they were entitled to while purporting that COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were properly paid. As such, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Final Pay Violations: Labor Code section 201 requires employers to pay all wages earned and unpaid at the time of discharge, immediately upon discharge. California Labor Code section 201(a) provides, in relevant part, that “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” California Labor Code section 202(a) provides, in relevant part, that “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.” Pursuant to Labor Code section 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid. This 30-day waiting time penalty is recoverable under the PAGA via Labor Code Section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also, *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

Based on information and belief, EMPLOYER failed to timely pay NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES all wages that were due and owing upon termination or resignation. Based on information and belief, EMPLOYER untimely provides final wages to NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES without regard to the timing requirements of Labor Code sections 201-202.

Upon separation of employment, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' final paychecks were not timely provided and/or were not timely provided with all owed vacation pay and/or paid time off. Moreover, NON-EXEMPT AGGRIEVED EMPLOYEES' final paychecks, once provided, did not include all wages owed as they were devoid of, including but not limited to, all owed minimum wages, overtime wages, premium wages, vacation pay, all owed sick leave and/or paid time off wages at the properly accrued rates.

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each EXEMPT AGGRIEVED

EMPLOYEE and each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.¹⁰

Business Expense Violations: California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. *See* Cal. Lab. Code § 2802(a) and all applicable Wage Orders, § 9 (b). Furthermore, “for purposes of [section 2802], the term ‘necessary expenditure or losses’ shall include all reasonable costs, including, but not limited to, attorneys’ fees incurred by the employee enforcing the rights granted by this section.”

Among other things, under California law, when tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. *See* applicable IWC Wage Order, § 9 (b).

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. *See Cochran v. Schwan’s Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145. Further, “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State.” *See* Cal. Lab. Code § 2804.

Based on information and belief, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of the employer.

Based on information and belief, EMPLOYER shifted its costs of doing business onto NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by requiring them to pay for its business expenses, including but not limited to, uniforms and/or the use of NON-EXEMPT AGGRIEVED EMPLOYEES’ and EXEMPT AGGRIEVED EMPLOYEES’ personal mobile phone and data usage for work related purposes including but not limited to receiving and responding to work related messages and/or phone calls. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were not reimbursed for the cost of using their personal phone for work related purposes and/or the cost of purchasing and/or maintaining work uniforms/clothing.

¹⁰ (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee”).

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to pay for business expenses that are supposed to be the responsibility of EMPLOYER.

As a pattern and practice, EMPLOYER regularly failed to reimburse and indemnify NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out EMPLOYER's orders and/or carrying out the duties assigned by EMPLOYER.

As described herein, EMPLOYER regularly failed to reimburse and indemnify COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for all reasonable expenses associated with carrying out their job duties. EMPLOYER's failure to provide COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required that COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

Unlawful Inquiries into Salary History

Labor code section 432.3 provides in part "(b) An employer shall not, orally or in writing, personally or through an agent, seek salary history information, including compensation and benefits, about an applicant for employment." Based on information and belief, EMPLOYER has a policy and/or practice of unlawfully asking NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to reveal their salary history when applying for employment with EMPLOYER. For example, when COMPLAINANT applied for employment with EMPLOYER, COMPLAINANT was required to fill out an application that requested, among other things, the following information: Name and address of former employer, length of former employment relationship, and the "starting" and "final" "hourly rate/salary" of the former employment relationship. Based on information and belief, EMPLOYER required other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose the same or similar information, in violation of Labor Code section 432.3.

Moreover, by requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose prior salary information in a written application for employment, EMPLOYER violated Labor Code section 432.5 by requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to disclose their salary history as a condition of obtaining employment with EMPLOYER, in violation of California law.

Unlawful Agreements/ Unlawful Criminal History Inquiries:

Unlawful Agreements

Labor Code section 432.5 provides that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.” Based on information and belief, EMPLOYER required COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful conditions of employment including but not limited to unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, EMPLOYER ordered unlawful financial credit checks on NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, in violation of Labor Code section 1024.5, and required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name,

address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, EMPLOYER violated Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to provide ongoing consent to EMPLOYER to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, EMPLOYER knew that requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES agree in writing to unlawful provisions as a condition of employment, EMPLOYER violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, EMPLOYER asked NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES about arrests not resulting in convictions on its employment application, in violation of California law.

Upon information and belief, EMPLOYER, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on its employment application in violation of California law.

By asking about arrests not resulting in convictions, EMPLOYER violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, EMPLOYER violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, EMPLOYER violated Labor Code section 432.5 by requiring COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to other unlawful agreements, including but not limited to, an unlawful waiver of PAGA and or representative actions as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”)

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”)

Upon information and belief, EMPLOYER required COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By requiring COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree, in writing, to an unlawful PAGA waiver, EMPLOYER required written agreement to an unlawful provision as a condition of employment which is a violation of labor code section 432.5.

As such, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES continue to be subject to various unlawful provisions as a condition of employment.

Conclusion

EMPLOYER has violated the above-referenced California Labor Code provisions, the applicable IWC Wage Order, including but not limited to all applicable Wage Orders, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys’ fees, and costs. The civil penalties COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES seek to recover include, but are not limited to, the statutory and civil penalties specified above.

Labor Code § 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis

for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this NOTICE is to satisfy the requirements created by Labor Code §§ 2699, 2699.3(a), 2699.3(b), 2699.3(c), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the LWDA intends to take any action in reference to these claims. We kindly ask that you respond to this NOTICE according to the time frame contemplated by the code.

If the LWDA elects not to take any action with respect to any of the foregoing claims, COMPLAINANT will seek these penalties in a civil action, on behalf of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES of EMPLOYER within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty-five days of the date of this NOTICE to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Zachary Crosner
Crosner Legal, PC
9440 Santa Monica Blvd., Ste. 301
Beverly Hills, CA 90210
Main: 310.496.5818
Fax: 310.510.6429
Email: zach@crosnerlegal.com

Thank you for your attention to this matter.

Best Regards,

A handwritten signature in black ink that reads "Zachary M. Crosner". The script is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Zachary M. Crosner, Esq.
CROSNER LEGAL, PC



Alberto Villavicencio <alberto@crosnerlegal.com>

State of California - Department of Industrial Relations Customer Receipt / Purchase Confirmation

1 message

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>

Thu, Apr 28, 2022 at 5:49 PM

To: "alberto@crosnerlegal.com" <alberto@crosnerlegal.com>

Thank you for your payment.

Order Information

Merchant: State of California - Department of Industrial Relations

Case Number: LWDA-CM-881124-22

Order Number: ORD-000159582

Total:\$75.00

Card Type: Visa

Date: 4/28/2022

Billing Information

Name: Zach Crosner

Email: alberto@crosnerlegal.com

Billing Address:

9440 santa monica blvd, suite 301

beverly hills, California

90210

EXHIBIT

4



Maria Monterrey <maria@crosnerlegal.com>

Thank you for your Court Complaint Submission.

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
To: maria@crosnerlegal.com

Tue, Sep 19, 2023 at 12:12 PM

09/19/2023 12:11:52 PM

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

Item submitted: Court Complaint

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT

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