

Mark D. Potter, SBN 166317  
James M. Treglio, SBN 228077  
POTTER HANDY, LLP  
100 Pine St., Ste 1250,  
San Francisco, CA 94111  
Telephone: (858) 375-7385  
Facsimile: (888) 422-5191  
jimt@potterhandy.com

Attorneys for Plaintiff and the Proposed Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JOY MACOPSON, individually and on  
behalf of all others similarly situated,

Plaintiff,

v.

PACIFIC BELL TELEPHONE  
COMPANY, a California corporation, and  
DOES 1 to 100, inclusive

Defendants.

CASE NO. 22STCV13800  
Complaint Filed: April 26, 2022

CLASS ACTION

**EXHIBITS TO THE DECLARATION  
OF JAMES M. TREGLIO IN SUPPORT  
OF PLAINTIFFS' MOTION FOR  
ORDER GRANTING PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

Date: November 8, 2023  
Time: 10:30 a.m.  
Dept.: 1 (Spring Street)  
Judge: Hon. Stuart M. Rice  
Res. Id.:N/A - Set By Court

## Exhibit 1

# CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (the “Agreement”) is made and entered into by and between Plaintiff JOY MACOPSON (“Plaintiff” or “Class Representative”) and Defendant PACIFIC BELL TELEPHONE COMPANY (“Defendant”) in the Action (as defined below). This Agreement is subject to the terms and conditions herein and the approval of the Court. For purposes of this Agreement, Plaintiff and Defendant are each referred to collectively as “Parties” or individually as “Party.”

## 1. DEFINITIONS.

- 1.1. “Action” means *Joy Macopson v. Pacific Bell Telephone Company*, LASC Case No. 22STCV13800, initially filed on April 26, 2022, in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Atticus Administration, 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 Fund to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means Class Members who actually worked in California during the PAGA Period for Defendant as a non-exempt, hourly employee or for AT&T Services, Inc. in a technician position.
- 1.5. “Class Counsel” means Mark D. Potter and James M. Treglio of Potter Handy LLP.
- 1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.7. “Class Data” means Settlement Class Member identifying information in Defendant’s possession including each Settlement Class Member’s name, last-known mailing address, Social Security number, and data sufficient for the Administrator to calculate the number of Class Membership Period Workweeks and PAGA Pay Periods.
- 1.8. “Class Member” or “Settlement Class Member” means a member of the Settlement Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

- 1.9. “Class Member Address Search” or “Settlement Class Member Address Search” means the Administrator’s investigation and search for current Class Member 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 Class Members.
- 1.10. “Class Membership Period” means the period from April 26, 2018 through the date of Preliminary Approval of this Settlement.
- 1.11. “Class Notices” mean the Court-approved notices of class action settlement and hearing date for final court approval, to be mailed to Class Members in English in the form, without material variation, attached as Exhibits A and B and incorporated by reference into this Agreement.
- 1.12. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.13. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14. “Court” means the Superior Court of California, County of Los Angeles.
- 1.15. “Defendant” means named Defendant Pacific Bell Telephone Company.
- 1.16. “Defense Counsel” means Matthew C. Kane, Sylvia J. Kim, Amy E. Beverlin and Kerri H. Sakaue of Baker & Hostetler LLP.
- 1.17. “Effective Date” means: (i) sixty-five (65) days after entry of the Court’s Final Approval Order and Judgment granting Final Approval of the Settlement, so long as no appeals are filed therefrom; or (ii) if a timely appeal of the Court’s Final Approval Order has been filed, thirty (30) days after the final disposition of all appellate proceedings and the exhaustion of any applicable time to seek further appellate review without doing so.
- 1.18. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.19. “Final Approval” means the Court’s granting final approval of the Settlement.
- 1.20. “Final Approval Order” means the Court’s order entered upon granting Final Approval.
- 1.21. “Gross Settlement Fund” or “GSF” means **\$2,235,000.00**, which is the total amount Defendant agrees to pay under the Settlement, subject to the provisions of Paragraphs 3.2 and 9, below, and includes the Individual Settlement Amounts

Defendant already paid to certain Class Members through their Individual Settlement Program. The Gross Settlement Fund will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment and the Administrator's Expenses.

- 1.22. "Gross Settlement Fund Payment" or "GSF Payment" means \$1,753,792.00, which is the total amount that will be paid by Defendant into the GSF and which is the aggregate sum of \$2,235,000.00 less a payment credit of \$481,208.00 for the amounts Defendant paid to certain Settlement Class Members pursuant to its Individual Settlement Program.
- 1.23. "Individual Class Payment" means the Participating Class Member's *pro rata* share of the Net Settlement Fund calculated in accordance with Paragraph 3.2.4 below.
- 1.24. "Individual PAGA Payment" means the Aggrieved Employee's *pro rata* share of 25% of the PAGA Penalties calculated in accordance with Paragraph 3.2.5 below.
- 1.25. "Individual Settlement Amount" means the approximately \$481,208.00 Defendant has already paid to certain Settlement Class Members through its Individual Settlement Program.
- 1.26. "Individual Settlement Program" refers to the individual settlement program conducted by Defendant from December 2022 to March 2023 and described in greater detail in Paragraph 2.3.
- 1.27. "Individual Settlement Share" refers to the *pro rata* share of the Individual Settlement Amount certain Settlement Class Members received through Defendant's Individual Settlement Program.
- 1.28. "Judgment" means the judgment entered by the Court based upon the Court's Final Approval Order.
- 1.29. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to the LWDA PAGA Payment, under California Labor Code § 2699, subd. (i).
- 1.30. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under California Labor Code § 2699, subd. (i).
- 1.31. "Memorandum of Understanding" means the Memorandum of Understanding entered into between Class Counsel and Defense Counsel on March 22, 2023, regarding the terms of this Settlement.

- 1.32. “Net Settlement Fund” or “NSF” means the Gross Settlement Fund, less the following payments in the amounts approved by the Court: (a) the Individual PAGA Payments, (b) the LWDA PAGA Payment, (c) the Class Representative Service Payment, (d) the Class Counsel Fees Payment, (e) the Class Counsel Litigation Expenses Payment, and (f) the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.33. “Non-Participating Class Member” means any Settlement Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.34. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee actually worked in California during the PAGA Period for Defendant as a non-exempt, hourly employee or for AT&T Services Inc. in a technician position.
- 1.35. “PAGA Period” means the period from April 10, 2021 through the end of the Class Membership Period.
- 1.36. “PAGA” means the California Labor Code Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.37. “PAGA Notice” means Plaintiff’s April 10, 2022 letter to Defendant and the LWDA, and as subsequently amended pursuant to this Agreement, which provides notice pursuant to California Labor Code § 2699.3, subd.(a).
- 1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Fund (\$60,000.00), allocated 25% to the Aggrieved Employees (\$15,000.00) and the 75% to the LWDA (\$45,000.00) in settlement of PAGA claims.
- 1.39. “Participating Class Member” means a Settlement Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.40. “Plaintiff” means Joy Macopson, the named Plaintiff in the Action.
- 1.41. “Preliminary Approval” means the Court’s order granting Preliminary Approval of the Settlement.
- 1.42. “Proposed Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.43. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

- 1.44. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.45. “Released Parties” means: Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns.
- 1.46. “Request for Exclusion” means a Settlement Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.47. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Settlement Class Members and Aggrieved Employees, and shall be the last date on which Settlement Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expired Response Deadline.
- 1.48. “Settlement” means the disposition of the Action, Released Class Claims and Released PAGA Claims effected by this Agreement and the Judgment.
- 1.49. “Settlement Class” means all individuals who are or were employed in California from April 26, 2018 through the date of Preliminary Approval of the Settlement by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position, but excluding anyone who has filed their own separate action as a named plaintiff alleging the same or similar claims being released by the Settlement and/or who has previously released such claims.
- 1.50. “Workweek” means any week during which a Settlement Class Member actually performed work in California during the Class Membership Period for Defendant as a non-exempt, hourly employee or for AT&T Services, Inc. in a technician position, except as otherwise provided in Paragraph 3.2.4 below.

## **2. RECITALS.**

- 2.1. On April 26, 2022, Plaintiff commenced the Action by filing a Complaint (the “Complaint”) against Defendant. On June 21, 2022, Plaintiff filed a First Amended Class and Representative Action Complaint (the “FAC”). The FAC is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged. The Complaint and FAC are referred to herein collectively as the “Complaints.”

- 2.2. Pursuant to California Labor Code § 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant, and as amended pursuant to this Agreement will give written notice to AT&T Services, Inc., and to the LWDA by sending the PAGA Notice, as amended.
- 2.3 On December 22, 2022, Defendant initiated an Individual Settlement Program, mailing putative Settlement Class Members a packet offering to settle their claims against Defendant. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) the Operative Complaint and the operative complaints in other cases in which they could be a putative class member; and (5) a check to cash if the recipient opted to accept Defendant's offer. As of the date of this Agreement, approximately 2,462 Settlement Class Members who were recipients (roughly 60%) have accepted their offered settlement through the Individual Settlement Program, resulting in Defendant paying approximately \$481,208.00 to those Settlement Class Members.
- 2.4 On March 20, 2023, the Parties participated in an all-day mediation presided over by Hon. Gail Andler (Ret.). Following that mediation, the Class Counsel and Defense Counsel entered into the Memorandum of Understanding.
- 2.5 Prior to negotiating the Settlement, Plaintiff obtained, through informal discovery, documents and information, including, *inter alia*, data points regarding the Settlement Class Members and Aggrieved Employees. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.6 The Court has not granted class certification.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:

*In Re Pacific Bell Wage and Hour Cases*, Los Angeles County Superior Court, JCCP Case No. 5017

*Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572

*Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232

*Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case Nos. 22STCV2949 and 22STCV35974

*Hicks v. AT&T Inc. et al.*, Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC

*Rumenapp v. Pacific Bell Telephone Company*, El Dorado County Superior Court, Case No. 23CV1230

*Wilson v. Pacific Bell Telephone Company*, Alameda County Superior Court, Case No. 23CV046794.

### **3. MONETARY TERMS.**

- 3.1. Gross Settlement Fund. Except as otherwise provided by Paragraphs 3.1.1 and 9 below, Defendant promises to pay **\$2,235,000.00** and no more as the Gross Settlement Fund. The Gross Settlement Fund includes the Individual Settlement Amount Defendant already paid to certain Settlement Class Members through the Individual Settlement Program. Specifically included in the Gross Settlement Fund are all payroll taxes and withholdings associated with the payments to Participating Class Members and Aggrieved Employees (as applicable), and no additional funding or payment by Defendant will be required for any such obligations. The Administrator will disburse the entire Gross Settlement Fund without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Fund will revert to Defendant.
  - 3.1.1 Gross Settlement Fund Payment. The Gross Settlement Fund is subject to a payment credit of \$481,208.00 for the amounts Defendant paid to Settlement Class Members pursuant to the Individual Settlement Program. Therefore, the amount that will be paid by Defendant into the Gross Settlement Fund is the Gross Settlement Fund amount less the Individual Settlement Payment amount, or \$1,753,792.00.
- 3.2. Payments from the Gross Settlement Fund. The Administrator will make and deduct the following further payments from the remaining Gross Settlement Fund (*i.e.* \$1,753,792.00), in the amounts specified by the Court in the Final Approval Order:
  - 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$20,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment,

Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. Subject to the provisions of Paragraph 3.2.6, if the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Fund. The Administrator will pay the Class Representatives Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for all taxes owed on the Class Representative Service Payment.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33-1/3% of the Gross Settlement Fund and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. Subject to the provisions of Paragraph 3.2.6, if the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Fund. Released Parties shall have no liability to Class Counsel arising from any competing claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for all taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless and indemnify Defendant from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$75,000.00 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 \$75,000.00, the Administrator will allocate the remainder to the Net Settlement Fund.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated as follows:

*First*, the Administrator, from Defendant's records as reflected on the Class Data, shall calculate the number of Workweeks actually worked by a Settlement Class Member during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above. Each Settlement Class Member's share of the Net Settlement Fund (or Individual Class Payment) will be calculated initially for purposes of mailing the Class Notices by a pro rata share of the Net Settlement Fund based on the number of Workweeks that

they performed work for Defendant during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above. Each Participating Class Member's final Individual Class Payment for purposes of payment will be calculated by a pro rata share of the Net Settlement Fund based on the number of Workweeks they performed work for Defendant during the Class Membership Period, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above.

*Second*, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

*Third*, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

3.2.4.1 Tax Allocation of Individual Class Payments. Each Participating Class Member's Individual Class Payment will be allocated as follows: (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"); plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Administrator (and not Defendant) will prepare and issue an IRS Form W-2 for the Wages Portion and an IRS Form 1099 for the Non-Wage Portions to Participating Class Members.

The Administrator will be responsible for preparing and issuing the IRS Form W-2 and IRS Form 1099 forms timely and correctly. Participating Class Members will be responsible for correctly characterizing the compensation that they receive pursuant to this

Agreement, including as set forth on any IRS Form W-2 or IRS Form 1099 they receive from the Administrator, and for payment of any taxes owing on said amounts.

- 3.2.4.2 Employer-Side Payroll Taxes. Prior to distribution, Individual Class Payments will be subject to adjustment and/or reduction for required payroll taxes, contributions, and withholdings with respect to the Wages Portion, resulting in a net payment. The Administrator will be responsible for appropriate payroll tax deductions.
- 3.2.4.3 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Fund for distribution to Participating Class Members on a pro rata basis.
- 3.2.4.4 The Parties acknowledge and agree that neither they nor their attorneys have made any representations regarding the tax consequences of any and all Individual Class Payments made under this Agreement. Participating Class Members will be required to pay all federal, state, or local taxes, if any, which are required by law to be paid with respect to any and all such payments made to them under the Settlement. The Parties further agree that Defendant shall have no legal obligation to pay, on behalf of Participating Class Members, any taxes, deficiencies, levies, assessments, fines, penalties, interest or costs, which may be required to be paid with respect to such payments.
- 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$60,000.00 to be paid from the Gross Settlement Fund, with 75% (\$45,000.00) allocated to the LWDA PAGA Payment and 25% (\$15,000.00) allocated to the Individual PAGA Payments.
  - 3.2.5.1 Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$15,000.00) by the total number of PAGA Pay Periods actually worked by all Aggrieved Employees during the PAGA Period, but specifically excluding therefrom all PAGA Pay Periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above, and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods, but specifically excluding therefrom all PAGA Pay Periods covered by the approved settlement in the *In Re Pacific*

*Bell Wage and Hour Cases* proceedings identified in Paragraph 2.7, above. Each Individual PAGA Payment will be allocated 100% as civil penalties, which will be reported on IRS Form 1099 (if applicable) prepared and issued by the Administrator (and not Defendant) to Aggrieved Employees.

The Administrator will be responsible for preparing and issuing the IRS Form 1099 forms timely and correctly. Aggrieved Employees will be responsible for correctly characterizing the compensation that they receive pursuant to this Agreement, including as set forth on any IRS Form 1099 they receive from the Administrator, and for payment of any taxes owing on said amounts.

- 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Fund.
- 3.2.5.3 Single Check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Class Payment and Individual PAGA Payment.
- 3.2.5.4 The Parties acknowledge and agree that neither they nor their attorneys have made any representations regarding the tax consequences of any and all Individual PAGA Payments made under this Agreement. Aggrieved Employees will be required to pay all federal, state, or local taxes, if any, which are required by law to be paid with respect to any and all such payments made to them under the Settlement. The Parties further agree that Defendant shall have no legal obligation to pay, on behalf of Aggrieved Employees, any taxes, deficiencies, levies, assessments, fines, penalties, interest or costs, which may be required to be paid with respect to such payments.
- 3.2.6 Plaintiff acknowledges and understands that the Court could only approve a Class Representative Service Payment to her in an amount that is a fraction of that set forth above, which will not be known until such time that the Court decides whether to grant Final Approval of the Settlement and even if the Court otherwise grants Preliminary Approval of the Settlement. In the event lesser sums are awarded for the Class Counsel Fees Payment or the Class Counsel Litigation Expenses Payment or the Class Representative Service Payment, the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class Counsel to terminate the Settlement, but such an order shall be appealable by them. In the event that such an appeal is filed, administration of the Settlement as to

the challenged amounts shall be stayed pending resolution of the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts remain that are distributable to the Participating Class Members, the cost of administration of such additional payments will be paid out of such additional amounts and will not be chargeable to or payable by Defendant. Any amount not awarded for the Class Counsel Fees Payment or the Class Counsel Litigation Expenses Payment or the Class Representative Service Payment, but which is not challenged via appeal by Plaintiff and/or Class Counsel, shall be added to the Net Settlement Fund and distributed to the Participating Class Members in accordance with the terms of this Agreement.

#### **4. SETTLEMENT FUNDING AND PAYMENTS.**

- 4.1. Class Data. Not later than thirty (30) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Settlement Class Members' privacy rights, the Administrator must maintain the Class Data in confidence and not disclose it except as expressly permitted under this Agreement, use the Class Data only for purposes of administering this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform work under this Agreement. The restrictions on the use and disclosure of the Class Data shall be deemed, upon entry of the Court's Order granting preliminary approval of this Settlement, to be a protective order entered by the Court subject to full enforcement by the Parties to this Agreement and the Court, and by taking on the administration of the Settlement, the Administrator agrees that it and its employees, agents and representatives are bound by such protective order. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class 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 Class Data.
- 4.2 Funding of Gross Settlement Fund. Within three (3) court days of the Court entering its Final Approval Order, the Administrator will provide Defendant with wire transfer information. Defendant has already paid \$481,208.00 to certain Settlement Class Members through their Individual Settlement Program. Defendant shall fully fund the Gross Settlement Fund Payment (*i.e.*, \$1,753,792.00) by transmitting the funds to the Administrator within fifteen (15) court days after the Effective Date of the Settlement, as defined above, and the occurrence of all other conditions precedent set forth herein, provided all such conditions occur prior to the Effective Date. No funds will be payable by Defendant prior to that time.

- 4.3 Payments from the Gross Settlement Fund. Within seven (7) days after Defendant deposits the Gross Settlement Payment with the Administrator, the Administrator shall distribute payment of the approved Individual Class Payments to Participating Class Members, the Individual PAGA Payments to Aggrieved Employees, the LWDA PAGA Payment to the LWDA, the Administration Expenses Payment to the Administrator, the Class Counsel Fees Payment to Class Counsel, the Class Counsel Litigation Expenses Payment to Class Counsel, and the Class Representative Service Payment to Plaintiff in accordance with this Agreement and as ordered by the Court. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments
- 4.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notices were returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.3.2 The Administrator must conduct a Class Member Address Search for all Settlement Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Settlement Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Settlement Class Member whose original check was lost or misplaced, requested by the Settlement Class Member prior to the void date.
- 4.3.3 For any Settlement Class Member whose Individual Class Payment check or 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 State Controller Unclaimed Property fund pursuant

to governing law to be held there for the benefit of such Settlement Class Members under California's escheatment laws, and such Settlement Class Members shall nevertheless be bound to this Agreement and the Final Approval Order. The Parties agree this disposition results in no "unpaid residue" under California Civil Procedure Code § 384(b), as the entire Net Settlement Fund shall be paid to Participating Class Members, whether or not their Individual Class Payment checks are cashed.

- 4.3.4 The Individual Class Payments and Individual PAGA Payments are not being made for any other purpose and will not be construed as "compensation" for purposes of determining eligibility for any health and welfare benefits, unemployment compensation, or other compensation or benefits provided by Defendant. In addition, no individual receiving a payment based on this Settlement shall be entitled to any additional or increased health, welfare, retirement, or other benefits as a result of their participation in the Settlement and/or receipt of payment under this Settlement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Fund and Judgment is final, Plaintiff, Settlement Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1. **Plaintiff's Release.** In consideration of her Class Representative Service Payment, Individual Class Payment, and the other terms and conditions of the Settlement, Plaintiff hereby releases the Released Parties of and from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action of every kind or nature, contingent or accrued, known or unknown, which do or may exist through and including the date of Final Approval ("Plaintiff's Release").

- 5.1.1 **Plaintiff's Waiver of Rights Under California Civil Code § 1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of California Civil Code § 1542, 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 Participating Class Members.** All Participating Class Members, on behalf of themselves and their respective former and present representatives,

agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties of any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring after the date of Final Approval of the Settlement.

- 5.3 Release of PAGA Claims. In consideration of the PAGA Penalties, Plaintiff—on behalf of the State of California, the LWDA, and the Aggrieved Employees—releases and discharges the Released Parties of any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement.

All Aggrieved Employees are therefore 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 civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklists for Preliminary Approvals.

6.1. **Plaintiff’s Responsibilities.**

6.1.1 Concurrently with the filing of the Motion for Preliminary Approval of this Settlement, and solely for purposes of this Settlement, Plaintiff will submit an amended version of the PAGA Notice adding AT&T Services, Inc. as an employer about which notice is being given, and adding alleged violations of Labor Code sections 233, 234 and 246.5 based on the employers’ policies allegedly treating the use of accrued kin-care and accrued paid sick days as unprotected absences subject to discipline. Solely for purposes of this settlement, Defendant and AT&T Services, Inc. waive any defenses to the timeliness of such amended letter and the pursuit of the amended claims against them under PAGA. In the event this Settlement is not granted final approval by the Court, then the amended notice letter will be deemed irrevocably withdrawn and of no further effect.

6.1.2 Pursuant to PAGA, Plaintiff and Class Counsel will also submit a copy of this Agreement to the LWDA on the same day Plaintiff files the Motion for Preliminary Approval, and promptly provide Defendant with written confirmation demonstrating that the submission has been made. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void or avoid the Settlement under PAGA.

6.2 **Responsibilities of Counsel.** Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Order granting Preliminary Approval to the Administrator.

6.3 **Duty to Cooperate.** If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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. The Court’s decision to award less

than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.

## **7. SETTLEMENT ADMINISTRATION.**

- 7.1. Selection of Administrator. The Parties have jointly selected Atticus Administration to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration 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. Notices to Class Members.
  - 7.4.1 No later than three (3) court days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Settlement Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data, as calculated by the Administrator.
  - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notices substantially in the forms attached to this Agreement as Exhibits A and B. The Class Notices shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Settlement Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Settlement Class Member addresses using the National Change of Address database.
  - 7.4.3 Not later than three (3) court days after the Administrator’s receipt of any Class Notices returned by the USPS as undelivered, the Administrator shall re-mail those Class Notices using any forwarding address provided by the

USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notices to Settlement Class Members whose Class Notices are returned by the USPS a second time.

7.4.4 The deadlines for Settlement Class Members' written objections; challenges to Individual Settlement Program participation, Workweeks, and/or Pay Periods; and Requests for Exclusion will be extended an additional fourteen (14) days beyond the thirty (30) days otherwise provided in the Class Notice for all Settlement Class Members whose notice is re-mailed. The Administrator will inform the Settlement Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Settlement Class Members. If the Parties agree, such persons will be Settlement Class Members entitled to the same rights as other Settlement Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

## 7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Settlement Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Settlement Class Members whose Class Notices are re-mailed). A Request for Exclusion is a letter from a Settlement Class Member that reasonably communicates the Settlement Class Member's election to be excluded from the Settlement and includes the Settlement Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Settlement Class Member's desire to be excluded. The

Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Settlement Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, except in connection with the Court's proceedings on Final Approval of the Settlement.

7.5.3 Every Settlement Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Settlement Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims belong to the State of California and are thus subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

However, any Non-Participating Class Member who negotiated the check representing his or her Individual Settlement Share will remain bound by his or her release of claims through Defendant's Individual Settlement Program.

7.5.5 Aggrieved Employees will not have the right to exclude themselves from (opt-out of) receiving their pro rata share of the PAGA Penalties portion of the Net Settlement Fund, which will be based on their PAGA Pay Periods actually worked during the PAGA Period (as defined above), and will have checks for their share mailed to them upon Final Approval by the Court, occurrence of the Effective Date of the Settlement, and funding of the Gross Settlement Fund Payment by Defendant.

7.6 Challenges to Calculations. Each Settlement Class Member shall have forty-five (45) days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Class Members whose Class Notices are re-mailed) to challenge whether he or she participated in the Individual Settlement Program by cashing or otherwise depositing the check representing their Individual Settlement Share, and/or the number of Workweeks and PAGA Pay Periods (if any) allocated to the Settlement Class Member in the Class Notice. For the avoidance of doubt, the Parties agree that Settlement Class Members who challenge whether they

participated in the Individual Settlement Program by cashing or depositing the individual payment they received cannot use such a challenge to nullify their release of claims through the Individual Settlement Program. The Settlement Class Member may mount these challenges by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Settlement Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that (1) the Settlement Class Member did participate in the Individual Settlement Program; and/or (2) the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Settlement Class Member's participation in the Individual Settlement Program, as well as allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge, except in connection with the Court's proceedings on Final Approval of the Settlement. The Administrator shall promptly provide copies of all challenges to Individual Settlement Program participation, as well as the calculation of Workweeks and/or Pay Periods, to Defense Counsel and Class Counsel and the Administrator's determination on the challenges.

#### 7.7 Objections to Settlement

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notices (plus an additional fourteen (14) days for Settlement Class Members whose Class Notices were re-mailed).

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

7.8 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.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to provide notice and information about the Settlement to Class Members (the "Settlement Website"). The Settlement Website is to be established by the

Administrator solely for purposes of the administration of the Settlement, and the domain name used for the website will be subject to Defendant's reasonable approval. Not later than the date that the Administrator must remit any funds associated with uncashed and canceled Individual Class Payment or Individual PAGA Payment checks, as set forth in Paragraph 4.4.3, the Settlement Website will be taken down. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed; Class Notices returned undelivered; Requests for Exclusion (whether valid or invalid) received; objections received; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek, Pay Period, and Individual Settlement Program Participation Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over their participation in the Individual Settlement Program, as well as the calculation of Workweeks and/or Pay Periods, except in connection with the Court's proceedings on Final Approval of the Settlement. In the event of such a dispute, Defendant will have the right to review Defendant's payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Settlement Class Member, and Defendant, the Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Settlement Class Member, and non-appealable, except in connection with the Court's proceedings on Final Approval of the Settlement.

- 7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notices, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Calculations Prior to Disbursing Funds. Within seven (7) days after the Effective Date, the Administrator will provide Class Counsel and Defense Counsel with the following information for each Class Member: (a) whether the Settlement Class Member opted-out or objected to the Settlement; (b) the number of Workweeks used to calculate the Individual Class Payment and whether the Settlement Class Member participated in Defendant's Individual Settlement Program; (c) the number of PAGA Pay Periods used to calculate the Individual PAGA Payment, if any; (d) the amount of the Individual Class Payment; and (e) the amount of the Individual PAGA Payment.
- 7.8.7 Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Fund, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- 7.8.8 Tax Obligations. The Administrator (and not Defendant) will remit all federal and state taxes owed by Defendant and issue all IRS Form W-2s and 1099s on all funds distributed from the Gross Settlement Fund and the Net Settlement Fund.
- 7.8.9 Employer-Side Payroll Taxes. The Administrator will coordinate the calculations of any necessary payroll taxes and deductions with Defendant to ensure that, to the extent such taxes and deductions are or could be deemed to have been made by the Administrator on behalf of Defendant by

government taxing authorities, they are made in compliance with Defendant's tax withholding and remittance obligations for such payments.

8. **CLASS SIZE ESTIMATES.** Based on a review of its records to date, Defendant has estimated there are approximately 10,945 Settlement Class Members who collectively worked a total of approximately 808,632 Workweeks from the start of the Class Membership Period to September 30, 2023. However, approximately 2,462 Settlement Class Members have participated in Defendant's Individual Settlement Program, covering approximately 428,887 Workweeks. Accordingly, there are approximately 8,483 Settlement Class Members, and 379,745 Workweeks for which Defendant's Individual Settlement Program has not secured releases.

Based on a review of its records to date, Defendant also has estimated there are 9,879 Aggrieved Employees who worked a total of 194,854 PAGA Pay Periods from the start of the PAGA Period to September 30, 2023.

The Gross Settlement Fund will not be increased based on the final contents of the Class Data because Plaintiff and Class Counsel has extrapolated the projected Settlement Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods through Preliminary and Final Approval of the Settlement in deciding to enter into the Settlement set forth herein.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Settlement Class Members who did not participate in the Individual Settlement Program, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. However, Settlement Class Members who participated in the Individual Settlement Program will still be bound by their Individual Settlement Program releases. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) court days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will—subject to Defendant's review and approval—file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under California Labor Code § 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than five (5) court days prior to filing the Motion for Final Approval with the Court. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Participating Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.
- 10.3. 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.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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 an objector 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 Fund.
- 10.5. 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 Participating Class Members), 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 to obtain Final Approval 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 the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this

paragraph, as long as the Gross Settlement Fund remains unchanged. Further, any release secured through the Individual Settlement Program will remain valid and binding notwithstanding an appellate decision to vacate, reverse, or modify the Judgment.

**11. INJUNCTION BARRING PURSUIT OF RELEASED CLAIMS.** As part of the Final Approval of the Settlement, Plaintiff, Participating Class Members, the LWDA, and Aggrieved Employees shall be enjoined from filing, initiating, or continuing to prosecute any actions, claims, complaints, or proceedings in court, arbitration, with the California Division of Labor Standards Enforcement (“DLSE”), with the LWDA, or with any other entity, with respect to the claims released as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above. This Settlement is conditioned upon the release by Participating Class Members, Plaintiff, Aggrieved Employees, and the LWDA as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above, and upon covenants by each of them that they will not and cannot bring or participate in any actions, lawsuits, proceedings, complaints, or charges brought individually, by the DLSE, the LWDA, or by any other agency, persons or entity in any court, arbitration or before any administrative body with respect to the claims released as described in Paragraphs 5.1 through 5.3 (and all subparagraphs thereof), above, nor will any of them contest or interfere with efforts by Defendant or by any other Released Parties to oppose any attempt to bring such Released Claims against any of them. Additionally, it is agreed herein that neither injunctive nor declaratory relief, nor any equitable relief, will be ordered by the Court against Defendant in Final Approval of the Settlement, which will otherwise be grounds for Defendant rescinding and terminating this Agreement.

**12. AMENDED JUDGMENT.** If any amended judgment is required under California Civil Procedure Code § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

**13. ADDITIONAL PROVISIONS.**

13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint or LWDA Notice have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserve the right to move for class certification on any grounds available and to contest Defendant’s defenses. The Settlement, this Agreement and Parties’ willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members after Preliminary Approval is granted in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.3. Publication. No information about the Action or the settlement may be posted on any of Class Counsel's websites except as expressly set forth herein without Defendant's prior written consent. Defendant consents to Class Counsel listing the case name, number, and a short description of the claims in declarations filed in court listing their prior cases to provide their qualifications to be appointed as class counsel.
- 13.5. 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.
- 13.6. Attorney Authorization. The Parties separately warrant and represent that they are authorized to take all appropriate action required or permitted to be taken by them 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.

- 13.7 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 this 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.
- 13.8 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.
- 13.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.10 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.
- 13.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.12 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.
- 13.13 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.
- 13.14 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.
- 13.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's

obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 13.16 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.
- 13.17 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.
- 13.18 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 **POTTER HANDY LLP**  
Plaintiff: c/o Mark D. Potter  
James M. Treglio  
100 Pine Street, Suite 1250  
San Francisco, CA 94111

E-Mail:  
mark@potterhandy.com  
jimt@potterhandy.com

To **BAKER & HOSTETLER LLP**  
Defendant: c/o Matthew C. Kane  
Sylvia J. Kim  
Amy E. Beverlin  
Kerri H. Sakaue  
11601 Wilshire Blvd., Suite 1400  
Los Angeles, CA 90025

E-Mail:  
mkane@bakerlaw.com  
sjkim@bakerlaw.com  
abeverlin@bakerlaw.com  
ksakaue@bakerlaw.com

- 13.19 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 exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.

- 13.20 Severability. If any provision of this Agreement is unenforceable, for any reason, the remaining provisions will nevertheless be of full force and effect, subject to the limitations set out in Paragraphs 6.4, 9, and 10.2 regarding the effect of disapproval, termination, modification or cancellation by the Court of any material term or condition of this Agreement.
- 13.21 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 California Civil Procedure Code § 583.330 to extend the date to bring a case to trial under California Civil Procedure Code § 583.310 for the entire period of this settlement process.
- 13.22 Advice of Counsel. The Parties to this Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties to this Agreement agree that it reflects their good faith compromise of the claims raised in this action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.
- 13.23 Non-Evidentiary Use. Neither the fact of this Agreement, the existence of this Agreement, the terms of this Agreement, nor any order or action pursuant thereto may be referred to, relied upon, cited, or used as evidence by any of the Parties, Class Members, or their respective counsel in the Action or in any other action or proceeding; provided, however, that nothing contained in this section shall prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement.
- 13.24 Each Party to Bear Own Costs. Except as specifically provided herein, the Parties hereto will bear responsibility for their own attorneys' fees and costs, taxable or otherwise, incurred by them or arising out of or related to this Action, and will not seek reimbursement thereof from any Party to this Agreement.

**EACH OF THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.**

**IT IS SO STIPULATED AND AGREED:**

DATED: 10/27/2023

*Joy Macopson*

AE7C1DE7BC1DDA77C18F368820548A6F

ready**sign**

**JOY MACOPSON**  
Plaintiff and Proposed Class Representative

DATED: \_\_\_\_\_

**PACIFIC BELL TELEPHONE COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

DATED: October 27, 2023

**POTTER HANDY LLP**

By:  \_\_\_\_\_

Mark D. Potter  
James M. Treglio

*Attorneys for Plaintiff*  
**JOY MACOPSON**

DATED: \_\_\_\_\_

**BAKER & HOSTETLER LLP**

By: \_\_\_\_\_

Matthew C. Kane  
Sylvia J. Kim  
Amy E. Beverlin  
Kerri H. Sakaue

*Attorneys for Defendant*  
**PACIFIC BELL TELEPHONE COMPANY**

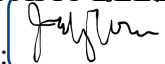
**IT IS SO STIPULATED AND AGREED:**

DATED: \_\_\_\_\_

JOY MACOPSON  
Plaintiff and Proposed Class Representative

DATED: 10/26/2023 | 4:37 PM EDT  
\_\_\_\_\_

PACIFIC BELL TELEPHONE COMPANY

By:   
D062595BC79D44B...

Name: Jody Garcia

Title: Vice President - Customer Care

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

DATED: \_\_\_\_\_

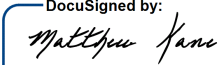
**POTTER HANDY LLP**

By: \_\_\_\_\_  
Mark D. Potter  
James M. Treglio

*Attorneys for Plaintiff*  
JOY MACOPSON

DATED: 10/26/2023 | 4:11 PM EDT  
\_\_\_\_\_

**BAKER & HOSTETLER LLP**

By:   
A77DB75EF933433  
Matthew C. Kane  
Sylvia J. Kim  
Amy E. Beverlin  
Kerri H. Sakaue

*Attorneys for Defendant*  
PACIFIC BELL TELEPHONE COMPANY

# COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

*Joy Macopson v. Pacific Bell Telephone Company*  
Superior Court of California for the County of Los Angeles, Case No. 22STCV13800

***The Superior Court for the State of California authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**You may be eligible to receive money** from an employee class and representative action lawsuit ("Action") against Pacific Bell Telephone Company ("Defendant") for alleged wage and hour violations. The Action was filed by Joy Macopson ("Plaintiff"), an employee of Defendant, and seeks payment of (1) back wages, unreimbursed business expenses, penalties, and other relief on behalf of all individuals who are or were employed in California at any time during the Class Period (April 26, 2018 through and including [date of Preliminary Approval]) by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position ("Class Members"); and (2) civil penalties under the California Labor Code Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") on behalf of all Class Members who actually worked in California at any time during the PAGA Period (April 10, 2021 through and including [INSERT DATE OF PRELIMINARY APPROVAL]) ("Aggrieved Employees").

Defendant and Plaintiff have entered into a Class Action and PAGA Settlement Agreement ("Class Action and PAGA Settlement Agreement"). The proposed Class Action and PAGA Settlement Agreement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ [INSERT AMOUNT] (less applicable withholdings) and your Individual PAGA Payment is estimated to be \$ [INSERT AMOUNT]**. The actual amount you may receive may be different and will depend on a number of factors. If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work in a covered position during the PAGA Period.

The above estimates are based on Defendant's records showing that **you worked [INSERT AMOUNT] qualifying Workweeks** during the Class Period and **you worked [INSERT AMOUNT] qualifying Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks or Pay Periods, you can submit a challenge by the deadline to do so in accordance with **Section 4** of this Notice. Please note that if you participated in the court approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.

The Court has already preliminarily approved the proposed Class Action and PAGA Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Class Action and PAGA Settlement and how much of the Class Action and PAGA Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Class Action and PAGA Settlement and requires Class Members, Aggrieved Employees, and the State of California to give up their rights to assert certain claims against Defendant.

If you worked in a covered position during the Class Period and/or the PAGA Period, you have two basic options under the Class Action and PAGA Settlement.

**Option 1 Do Nothing.** You don't have to do anything to participate in the proposed Class Action and PAGA Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. Class Members who do not submit a timely and valid Request for Exclusion (the "Participating Class Members") will give up their right to assert any claims covered by the Class Action and PAGA Settlement, which claims are identified in **Sections 3.9–3.10** of this Notice ("Released Claims").

**Option 2 Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue those Class Period wage claims identified in **Section 3.9** of this Notice against Defendant. If you are an Aggrieved Employee, you will also remain eligible for an Individual PAGA Payment, as you cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement.

**Defendant will not retaliate against you for any actions you take with respect to the proposed Class Action and PAGA Settlement.**

#### **SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

|                                                                            |                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>      | If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert Released Claims.                                                                                                                                                                            |
| <b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b> | If you don't want to fully participate in the proposed Class Action and PAGA Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of |

|                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>The Opt-out Deadline is [INSERT DATE]</b></p>                                                                                                                          | <p>the proposed Settlement. See <b>Section 6</b> of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue those claims identified in <b>Section 3.10</b> of this Notice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by [INSERT DATE]</b></p> | <p>All Participating Class Members (<i>i.e.</i>, Class Members who do not opt-out) can object to any aspect of the proposed Class Action and PAGA Settlement. The Court’s decision whether to finally approve the Class Action and PAGA Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See <b>Section 7</b> of this Notice.</p>                                                                                                                                               |
| <p><b>You Can Participate in the [INSERT DATE] Final Approval Hearing</b></p>                                                                                                | <p>The Court’s Final Approval Hearing is scheduled to take place on [INSERT DATE]. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Class Action and PAGA Settlement at the Final Approval Hearing. See <b>Section 8</b> of this Notice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>You Can Challenge the Calculation of Your Workweeks/Pay Periods</b></p> <p><b>Written Challenges Must be Submitted by [INSERT DATE]</b></p>                            | <p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Workweeks you actually worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods that you worked, according to Defendant’s records, is stated on the first page of this Notice. You may challenge either of these numbers if you disagree with them. Your challenge must be made by [INSERT DATE]. See <b>Section 4</b> of this Notice.</p> <p>As noted above, if you participated in the court approved settlement in the <i>In Re Pacific Bell Wage and Hour Cases</i> proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.</p> |

## 1. WHAT IS THE ACTION ABOUT?

Plaintiff is a current employee of Defendant. The Action alleges that Defendant violated California wage and hour laws by failing to (1) pay regular, minimum, or overtime wages for all hours worked; (2) provide legally compliant meal periods, or compensation in lieu thereof; (3) timely pay all final wages upon separation of employment; (4) furnish written, accurate, itemized wage statements; and (5) reimburse necessary business expenses. Based on the same claims, Plaintiff has also asserted claims for civil penalties under PAGA and for restitution under California's Unfair Competition Law (Business & Professions Code §§ 17200, et seq.). Plaintiff is represented by the following attorneys in the Action (*i.e.*, Class Counsel):

**POTTER HANDY LLP**

Mark D. Potter [[mark@potterhandy.com](mailto:mark@potterhandy.com)]  
James M. Treglio [[jimt@potterhandy.com](mailto:jimt@potterhandy.com)]  
100 Pine Street, Suite 1250  
San Francisco, CA 94111  
(858) 375-7385 \* (888) 422-5191 FAX

Defendant strongly denies all of the claims in the action and contends that it has complied with all applicable laws at all times.

## 2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant negotiated an end to the case by agreement (settled the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Class Action and PAGA Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Class Action and PAGA Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Class Action and PAGA Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Class Action and PAGA Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Class Action and PAGA Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

## 3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant has agreed to pay \$2,235,000 as the gross settlement amount ("Gross Settlement Fund"), which includes payments Defendant made through the Individual Settlement Program that it initiated in December 2022 offering to settle claims. Defendant has agreed to deposit the remaining funds comprising the Gross Settlement

Fund (*i.e.* \$1,753,792) into an account controlled by the Settlement Administrator of the Class Action and PAGA Settlement. The Settlement Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, a Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Settlement Administrator's expenses, all applicable payroll taxes, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 court days after the Effective Date of the Settlement. The Judgment will then be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Class Action and PAGA Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. Defendant has already paid \$481,208 to certain Class Members through its Individual Settlement Program. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following additional deductions from the remaining Gross Settlement Fund (*i.e.*, \$1,753,792), the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$745,000 (*i.e.*, 33% of the gross settlement amount) to Class Counsel for attorneys' fees and up to \$25,000 to Class Counsel for reimbursement of reasonable litigation costs and expenses (collectively, the "Attorneys' Fees and Costs").
- B. Up to \$20,000 to Plaintiff as a Class Representative Service Payment for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$75,000 to the Settlement Administrator for services administering the Class Action and PAGA Settlement.
- D. Up to \$60,000 for PAGA Penalties, allocated 75% (\$45,000) to the LWDA PAGA Payment and 25% (\$15,000) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods (the "Aggrieved Employees' Payment").

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections

3. Net Settlement Distributed to Class Members. Again, Defendant has already paid approximately \$481,208 to certain Class Members through its Individual Settlement Program. After making the above deductions from the remaining Gross Settlement Amount (*i.e.*, \$1,753,792) in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement Fund (the "Net Settlement Fund") by making Individual Class Payments to Participating Class Members based on

their eligible Class Period Workweeks and whether they participated in Defendant's Individual Settlement Program.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"), plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant's share of payroll taxes and contributions with respect to the Wages Portion of Individual Class Payments shall be paid from the Gross Settlement Fund.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Class Action and PAGA Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Class Action and PAGA Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name.

If the money represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **[INSERT DATE]**, that you wish to opt-out. Your written request ("Request for Exclusion") must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual

Class Payment”; and (iv) be submitted by mail to the Settlement Administrator at the specified address below, postmarked on or before [Response Deadline].

Excluded Class Members (*i.e.*, Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue those Class Period claims identified in **Section 3.9** of this Notice against Defendant.

You cannot opt-out of the PAGA portion of the Class Action and PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right (if any) to assert PAGA claims against Defendant based on facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Class Action and PAGA Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Class Action and PAGA Settlement will be void: Defendant will not pay any additional money and Class Members will not release any claims against Defendant. However, anyone who participated in Defendant’s Individual Settlement Program will remain bound by their release of claims through that Program.
8. Settlement Administrator. The Court has appointed a neutral company Atticus Administration (the “Settlement Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over Workweeks, Pay Periods, and Individual Settlement Program Participation; prepare, mail and re-mail settlement checks and tax forms; and perform other tasks necessary to administer the Class Action and PAGA Settlement. The Settlement Administrator’s contact information is contained in **Section 9** of this Notice.
9. Participating Class Members’ Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, Participating Class Members will be legally barred from asserting any of the claims released under the Class Action and PAGA Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns (collectively, “Released Parties”) for any Released Class Claims.

“Released Class Claims” means any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys’ fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other

monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

10. Aggrieved Employees' PAGA Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, the State of California—and, by extension, all Aggrieved Employees, whether or not they exclude themselves from the Class Action and PAGA Settlement—will be barred from asserting PAGA claims against the Released Parties. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against any Released Parties (as defined above) for any Released PAGA Claims.

“Released PAGA Claims” means any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement. All Aggrieved Employees are therefore 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 civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

You will be bound by the Aggrieved Employees' PAGA Release whether or not you opt-out of the Class Settlement.

11. Other Actions Potentially Impacted by Settlement. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:

- *In Re Pacific Bell Wage and Hour Cases*, Los Angeles County Superior Court, JCCP Case No. 5017;
- *Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572;
- *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232;
- *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case Nos. 22STCV29492 and 22STCV35974;
- *Hicks v. AT&T Inc. et al.*, Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC;
- *Rumenapp v. Pacific Bell Telephone Company*, El Dorado County Superior Court, Case No. 23CV1230; and
- *Wilson v. Pacific Bell Telephone Company*, Alameda County Superior Court, Case No. 23CV046794.

#### **4. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?**

1. Individual Class Payments. Participating Class Members are eligible to receive payment under the Class Settlement of their pro rata share of the Net Settlement Fund (“Individual Class Payment”) based on the number of Workweeks actually worked by each Class Member in California during the Class Period in a covered position, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “Workweeks”). The Settlement Administrator will calculate Individual Class Payments as follows:

*First*, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

*Second*, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share issued through Defendant's Individual Settlement Program, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

2. Individual PAGA Payments. Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their pro rata share of the Aggrieved Employees' Payment ("Individual PAGA Payment") based on the number of pay periods actually worked by each Aggrieved Employee in California during the PAGA Period in a covered position, but specifically excluding therefrom all pay periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the "PAGA Pay Periods"). The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$15,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.
3. Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [INSERT DATE] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweeks and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Settlement Administrator's decision is final, but subject to final approval by the Court. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (*i.e.*, every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the amounts of your Individual Class Payment and Individual PAGA Payment.

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (*i.e.*, every Non-Participating Class Member).

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.**

## **6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

Submit a written and signed letter to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); and (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment." The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by [INSERT DATE], or it will be invalid. **Section 9** of the Notice has the Settlement Administrator's contact information.

## **7. HOW DO I OBJECT TO THE SETTLEMENT?**

Only Participating Class Members have the right to object to the Class Action and PAGA Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least [XX] days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Class Action and PAGA Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in **Section 9** of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website [INSERT URL] or the Court's website <https://www.lacourt.org/>. Fees and other charges may apply in order to obtain copies of court records from the Court's website.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may submit a written and signed objection ("Objection") to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the objecting Class Member; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement indicating the legal and factual grounds for the objection; (iv) include a statement indicating whether the objecting Class Member is

represented by counsel and identifying any such counsel; and (v) include a statement indicating whether the objecting Class Member intends to appear for and wishes to be heard at the Final Approval Hearing. The deadline for sending written objections to the Settlement Administrator is [INSERT DATE]. **Section 9** of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

## **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

You can, but don't have to, attend the Final Approval Hearing on [INSERT DATE] at [INSERT TIME] in Department 1 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Class Action and PAGA Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information. Please note that there may be deadlines to reserve a remote appearance and fees or charges may apply.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website [INSERT URL] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## **9. HOW CAN I GET MORE INFORMATION?**

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Class Action and PAGA Settlement. The easiest way to read the Agreement, the Judgment or any other Class Action and PAGA Settlement documents is to go to the Settlement Administrator's website at [INSERT URL]. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/documentimages/civilimages/publicmain.aspx>. You can also make an appointment to personally review court documents at the Spring Street Courthouse by calling (213) 310-7000. Fees and other charges may apply in order to obtain copies of court records from the Court.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION  
ABOUT THE SETTLEMENT.**

Class Counsel: **POTTER HANDY LLP**  
Mark D. Potter  
[[mark@potterhandy.com](mailto:mark@potterhandy.com)]  
James M. Treglio  
[[jimt@potterhandy.com](mailto:jimt@potterhandy.com)]  
100 Pine Street, Suite 1250  
San Francisco, CA 94111  
(858) 375-7385  
(888) 422-5191 FAX

Settlement  
Administrator: **ATTICUS**  
**ADMINISTRATION**  
P.O. Box 64053  
Saint Paul, MN 55164  
Phone: [INSERT]  
Fax: [INSERT]  
E-Mail: [INSERT]

#### **10. WHAT IF I LOSE MY SETTLEMENT CHECK**

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California State Controller's Unclaimed Property Fund ([https://www.sco.ca.gov/upd\\_msg.html](https://www.sco.ca.gov/upd_msg.html)) for instructions on how to retrieve the funds.

#### **11. WHAT IF I CHANGE MY ADDRESS?**

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.

## COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

*Joy Macopson v. Pacific Bell Telephone Company*  
Superior Court of California for the County of Los Angeles, Case No. 22STCV13800

***The Superior Court for the State of California authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

**You may be eligible to receive money** from an employee class and representative action lawsuit ("Action") against Pacific Bell Telephone Company ("Defendant") for alleged wage and hour violations. The Action was filed by Joy Macopson ("Plaintiff"), an employee of Defendant, and seeks payment of (1) back wages, unreimbursed business expenses, penalties, and other relief on behalf of all individuals who are or were employed in California at any time during the Class Period (April 26, 2018 through and including [date of Preliminary Approval]) by Defendant as hourly, non-exempt employees or by AT&T Services, Inc. in a technician position ("Class Members"); and (2) civil penalties under the California Labor Code Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA") on behalf of all Class Members who actually worked in California at any time during the PAGA Period (April 10, 2021 through and including [INSERT DATE OF PRELIMINARY APPROVAL]) ("Aggrieved Employees").

On December 22, 2022, Defendant initiated an Individual Settlement Program, mailing you (and other Class Members) a packet offering to settle their claims against Defendant. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) a link to, or copies of, the operative complaint(s); and (5) a check to cash if the recipient opted to accept Defendant's offer. Defendant's records indicate you accepted Defendant's offer by cashing or depositing that check.

Separate from the Individual Settlement Program, Defendant and Plaintiff have entered into a Class Action and PAGA Settlement Agreement ("Class Action and PAGA Settlement"). The proposed Class Action and PAGA Settlement has two main parts: (1) a "Class Settlement" requiring Defendant to fund Individual Class Payments, and (2) a "PAGA Settlement" requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA"). Though you have already participated in the Individual Settlement Program, the Parties have agreed to pay you a **minimum of an additional \$25 (less applicable withholdings) as your Individual Class Payment in connection with the Class Settlement portion of the Class Action and PAGA Settlement**, unless you participated as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* (see Section 3.11, below) settlement approved by the court in those proceedings. However, depending on the amount of your qualifying Workweeks and Pay Periods, you could be entitled to a higher payment under this settlement.

You may also be eligible to receive a payment under the PAGA Settlement portion of the Class Action and PAGA Settlement. **Your Individual PAGA Payment is estimated to be \$ [INSERT AMOUNT] based on Defendant's records showing you worked [INSERT AMOUNT] qualifying Pay Periods** during the PAGA Period. The actual amount you may receive may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work in a covered position during the PAGA Period.) If you believe that you didn't participate in Defendant's Individual Settlement Program and/or worked more Pay Periods during the PAGA Period, you can submit a challenge by the deadline to do so in accordance with **Section 4** of this Notice. Please note that if you participated in the court approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.

The Court has already preliminarily approved the proposed Class Action and PAGA Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Class Action and PAGA Settlement and how much of the Class Action and PAGA Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Class Action and PAGA Settlement and requires Class Members, Aggrieved Employees, and the State of California to give up their rights to assert certain claims against Defendant.

If you worked in a covered position during the Class Period and/or the PAGA Period, you have two basic options under the Class Action and PAGA Settlement.

**Option 1 Do Nothing.** You don't have to do anything to participate in the proposed Class Action and PAGA Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. You will remain bound by your release of claims through Defendant's Individual Settlement Program. Class Members who do not submit a timely and valid Request for Exclusion (the "Participating Class Members") will also give up their right to assert any other claims covered by the Class Action and PAGA Settlement, which claims are identified in **Sections 3.9–3.10** of this Notice ("Released Claims").

**Option 2 Opt-Out of the Class Settlement.** You can exclude yourself from the Class Action Settlement (opt-out) by submitting the written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program. If you are an Aggrieved Employee, you will also remain eligible for an Individual PAGA Payment, as you cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement.

**Defendant will not retaliate against you for any actions you take with respect to the proposed Class Action and PAGA Settlement.**

## SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

|                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>You Don't Have to Do Anything to Participate in the Settlement</b></p>                                                                                                 | <p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). You will remain bound by your release of claims through Defendant's Individual Settlement Program. And, as a Participating Class Member, you will also give up your right to assert any other Released Claims.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b></p> <p><b>The Opt-out Deadline is [INSERT DATE]</b></p>                                        | <p>If you don't want to fully participate in the proposed Class Action and PAGA Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and you will not receive any additional payment. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program. Non-Participating Class Members also cannot object to any portion of the proposed Settlement. See <b>Section 6</b> of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Class Action and PAGA Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue those claims identified in <b>Section 3.10</b> of this Notice.</p> |
| <p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by [INSERT DATE]</b></p> | <p>All Participating Class Members (<i>i.e.</i>, Class Members who do not opt-out) can object to any aspect of the proposed Class Action and PAGA Settlement. The Court's decision whether to finally approve the Class Action and PAGA Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See <b>Section 7</b> of this Notice.</p>                                                                                                                                  |
| <p><b>You Can Participate in the [INSERT DATE] Final Approval Hearing</b></p>                                                                                                | <p>The Court's Final Approval Hearing is scheduled to take place on [INSERT DATE]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Class Action and PAGA Settlement at the Final Approval Hearing. See <b>Section 8</b> of this Notice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |

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| <p><b>You Can Challenge Whether You Participated in Defendant's Individual Settlement Program and the Calculation of Your Pay Periods</b></p> <p><b>Written Challenges Must be Submitted by [INSERT DATE]</b></p> | <p>Defendant's records indicate you participated in Defendant's Individual Settlement Program by accepting Defendant's offer and cashing or depositing the check Defendant sent to you. If you believe this is an error because you did not cash or deposit that check, you must submit a written challenge by <b>[INSERT DATE]</b>. See <b>Section 4</b> of this Notice.</p> <p>The amount of your PAGA Payment (if any) depends on how many Pay Periods you actually worked at least one day during the PAGA Period. The number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by <b>[INSERT DATE]</b>. See <b>Section 4</b> of this Notice.</p> <p>As noted above, if you participated in the court approved settlement in the <i>In Re Pacific Bell Wage and Hour Cases</i> proceedings described in Section 3.11, below, then your Workweeks and Pay Periods covered by that settlement are not counted for purposes of this settlement.</p> |
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## 1. WHAT IS THE ACTION ABOUT?

Plaintiff is a current employee of Defendant. The Action alleges that Defendant violated California wage and hour laws by failing to (1) pay regular, minimum, or overtime wages for all hours worked; (2) provide legally compliant meal periods, or compensation in lieu thereof; (3) timely pay all final wages upon separation of employment; (4) furnish written, accurate, itemized wage statements; and (5) reimburse necessary business expenses. Based on the same claims, Plaintiff has also asserted claims for civil penalties under PAGA and for restitution under California's Unfair Competition Law (Business & Professions Code §§ 17200, et seq.). Plaintiff is represented by the following attorneys in the Action (*i.e.*, Class Counsel):

### POTTER HANDY LLP

Mark D. Potter [[mark@potterhandy.com](mailto:mark@potterhandy.com)]  
James M. Treglio [[jimt@potterhandy.com](mailto:jimt@potterhandy.com)]  
100 Pine Street, Suite 1250  
San Francisco, CA 94111  
(858) 375-7385 \* (888) 422-5191 FAX

Defendant strongly denies all of the claims in the action and contends that it has complied with all applicable laws at all times.

## 2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant negotiated an end to the case by agreement (settled the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement

(“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Class Action and PAGA Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Class Action and PAGA Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Class Action and PAGA Settlement is a good deal for you because they believe that: (1) you were already paid an Individual Settlement Program Payment, which means you already released certain claims against Defendant by participating in Defendant’s Individual Settlement Program; (2) Defendant has agreed to pay you an additional fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (3) this Class Action and PAGA Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Class Action and PAGA Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

### 3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant has agreed to pay \$2,235,000 as the gross settlement amount (“Gross Settlement Fund”), which includes payments Defendant made through the Individual Settlement Program that it initiated in December 2022 offering to settle claims. Defendant has agreed to deposit the remaining funds comprising the Gross Settlement Fund (*i.e.* \$1,753,792) into an account controlled by the Settlement Administrator of the Class Action and PAGA Settlement. The Settlement Administrator will use the Gross Settlement Fund to pay the Individual Class Payments, Individual PAGA Payments, a Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Settlement Administrator’s expenses, all applicable payroll taxes, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 court days after the Effective Date of the Settlement. The Judgment will then be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Class Action and PAGA Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. Defendant has already paid \$481,208 to you and certain Class Members through its Individual Settlement Program. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following additional deductions from the remaining Gross Settlement Fund (*i.e.*, \$1,753,792), the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to \$745,000 (*i.e.*, 33% of the gross settlement amount) to Class Counsel for attorneys’ fees and up to \$25,000 to Class Counsel for reimbursement of reasonable litigation costs and expenses (collectively, the “Attorneys’ Fees and Costs”).

- B. Up to \$20,000 to Plaintiff as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$75,000 to the Settlement Administrator for services administering the Class Action and PAGA Settlement.
- D. Up to \$60,000 for PAGA Penalties, allocated 75% (\$45,000) to the LWDA PAGA Payment and 25% (\$15,000) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods (the "Aggrieved Employees' Payment").

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. Again, Defendant has already paid approximately \$481,208 to certain Class Members through its Individual Settlement Program. After making the above deductions from the remaining Gross Settlement Amount (*i.e.*, \$1,753,792) in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement Fund (the "Net Settlement Fund") by making Individual Class Payments to Participating Class Members based on their eligible Class Period Workweeks and whether they participated in Defendant's Individual Settlement Program.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of (a) 33-1/3% for wages, inclusive of all types of applicable employer-paid and employee-paid payroll withholdings and taxes (the "Wages Portion"), plus (b) 33-1/3% for civil or statutory penalties and other nonwage damages and (c) 33-1/3% for interest (collectively, the "Non-Wages Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant's share of payroll taxes and contributions with respect to the Wages Portion of Individual Class Payments shall be paid from the Gross Settlement Fund.

This allocation applies only to the additional payments you will receive as a Participating Class Member; it does not apply to the payments you already received through the Individual Settlement Program. Instead, the amount you already received through the Individual Settlement Program has been reported on an IRS 1099 Form, which you received with the rest of the Individual Settlement Program packet described above.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Class Action and PAGA Settlement; as well as the payment you received through the Individual Settlement Program. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Class Action and PAGA Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California State Controller's Unclaimed Property Fund in your name.

If the money represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **[INSERT DATE]**, that you wish to opt-out. Your written request ("Request for Exclusion") must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment"; and (iv) be submitted by mail to the Settlement Administrator at the specified address below, postmarked on or before **[Response Deadline]**. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments. However, you will remain bound by your release of claims through Defendant's Individual Settlement Program.

You cannot opt-out of the PAGA portion of the Class Action and PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right (if any) to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Class Action and PAGA Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either

case, the Class Action and PAGA Settlement will be void: Defendant will not pay any additional money and Class Members will not release any claims against Defendant. However, anyone who participated in Defendant's Individual Settlement Program (including you) will remain bound by their release of claims through that Program.

8. Settlement Administrator. The Court has appointed a neutral company Atticus Administration (the "Settlement Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over Workweeks, Pay Periods, and Individual Settlement Program Participation; prepare, mail and re-mail settlement checks and tax forms; and perform other tasks necessary to administer the Class Action and PAGA Settlement. The Settlement Administrator's contact information is contained in **Section 9** of this Notice.
9. Participating Class Members' Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, Participating Class Members will be legally barred from asserting any of the claims released under the Class Action and PAGA Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant and AT&T Services Inc. and any of their respective present and former parents (including AT&T Inc.), subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns (collectively, "Released Parties") for any Released Class Claims.

"Released Class Claims" means any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, economic damages, non-economic damages, restitution, civil penalties, statutory penalties, liquidated damages, punitive damages, interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in the Complaints and/or any of the other pleadings filed in the Action based on the facts and/or legal violations alleged therein, and in any notice Plaintiff sent to the LWDA pursuant to PAGA based on the facts and theories alleged in such notice, from April 26, 2018 through the date of Final Approval of the Settlement. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.*, and claims for or based on any type of unpaid minimum, regular, overtime or other wages; failure to provide, authorize or permit compliant meal and rest periods; failure to pay any wages timely or at all during and/or upon termination of employment; failure to provide accurate itemized wage statements; failure to reimburse any business expenses; and derivative violations of the California Unfair Competition Law and/or relief available under PAGA.

You will remain bound by the release you agreed to by participating in Defendant's Individual Settlement Program regardless of whether or not you opt-out of the Class Settlement.

10. Aggrieved Employees' PAGA Release. After Defendant has fully funded the Gross Settlement Fund and the Judgment entered by the Court is final, the State of California—and, by extension, all Aggrieved Employees, whether or not they exclude themselves from the Class Action and PAGA Settlement—will be barred from asserting PAGA claims against the Released Parties. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant, or any Released Parties (as defined above) for any Released PAGA Claims.

“Released PAGA Claims” means any and all claims for civil penalties that have been alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted in the Complaints and/or PAGA Notice, as amended, and/or ascertained in the course of the Action through the date of Final Approval of the Settlement. All Aggrieved Employees are therefore 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 civil penalties that (1) were alleged, or that reasonably could have been alleged based on the violations, facts and/or theories asserted, in the Complaints and/or PAGA Notice, as amended, and/or (2) ascertained in the course of the Action through the date of Final Approval of the Settlement.

You will be bound by the Aggrieved Employees' PAGA Release whether or not you opt-out of the Class Settlement.

11. Other Actions Potentially Impacted by Settlement. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any pending matters brought prior to the filing of the Action by anyone who would be a Settlement Class Member asserting claims in such matters that may or will be extinguished or affected by the Settlement. Notwithstanding, they identify the following potentially related actions:

- *In Re Pacific Bell Wage and Hour Cases*, Los Angeles County Superior Court, JCCP Case No. 5017;
- *Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572;
- *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232; and
- *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case Nos. 22STCV29492 and 22STCV35974;

- *Hicks v. AT&T Inc. et al.*, Orange County Superior Court, Case No. 30-2023-01326712-CU-OE-CXC;
- *Rumenapp v. Pacific Bell Telephone Company*, El Dorado County Superior Court, Case No. 23CV1230; and
- *Wilson v. Pacific Bell Telephone Company*, Alameda County Superior Court, Case No. 23CV046794.

#### **4. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?**

1. Individual Class Payments. Participating Class Members are eligible to receive payment under the Class Settlement of their pro rata share of the Net Settlement Fund (“Individual Class Payment”) based on the number of Workweeks actually worked by each Class Member in California during the Class Period in a covered position, but specifically excluding therefrom all Workweeks covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “Workweeks”). The Settlement Administrator will calculate Individual Class Payments as follows:

*First*, Participating Class Members who (i) negotiated (i.e., cashed or deposited) the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will have the amount of their Individual Settlement Share credited against payment of their calculated Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$25.00 from the Net Settlement Fund. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

*Second*, Participating Class Members who (i) did not negotiate the check representing their Individual Settlement Share issued through Defendant’s Individual Settlement Program, or who otherwise were not offered to participate in the Individual Settlement Program, and (ii) did not participate as a Class Member in the *In Re Pacific Bell Wage and Hour Cases* settlement approved by the court in those proceedings, will be allocated their Individual Class Payment, but each such Participating Class Member will receive a guaranteed minimum Individual Class Payment of \$125.00.

2. Individual PAGA Payments. Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their pro rata share of the Aggrieved Employees’ Payment (“Individual PAGA Payment”) based on the number of pay periods actually worked by each Aggrieved Employee in California during the PAGA Period in a

covered position, but specifically excluding therefrom all pay periods covered by the approved settlement in the *In Re Pacific Bell Wage and Hour Cases* proceedings identified in Section 3.11, above (the “PAGA Pay Periods”). The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$15,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.

3. Challenges to Estimated Payments.

- 3.1 Challenging ISP Participation. As the first page of this Notice explains, Defendant’s records indicate you participated in Defendant’s Individual Settlement Program by accepting Defendant’s offer of settlement and cashing or depositing the check Defendant sent to you.

If you believe you did not participate in the Individual Settlement Program by cashing or otherwise depositing the check Defendant sent to you, you have until [INSERT DATE] to challenge whether you participated in the Individual Settlement Program. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator’s contact information. Please note that, if you participated in the Individual Settlement Program by cashing or depositing the check Defendant sent to you, you cannot nullify your release through this challenge.

You need to support your challenge by sending copies of records showing you did not participate in the Individual Settlement Program. The Settlement Administrator will accept Defendant’s records indicating your participation as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Individual Settlement Program Participation challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant’s Counsel. The Settlement Administrator’s decision is final, but subject to final approval by the Court. You can’t appeal or otherwise challenge its final decision.

- 3.2 Challenging PAGA Pay Periods. The number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant’s records, are also stated on the first page of this Notice.

You have until [INSERT DATE] to challenge the number of Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. **Section 9** of this Notice has the Settlement Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Settlement Administrator's decision is final, but subject to final approval by the Court. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (*i.e.*, every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the amounts of your Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (*i.e.*, every Non-Participating Class Member).

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.**

## 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the Class Member seeking exclusion; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); and (iii) include a statement that the Class Member seeks to be excluded from the Class Settlement which is the same or substantially similar to the following language: "I elect to opt-out of the *Macopson v. Pacific Bell Telephone Company* class action settlement. I understand that by doing so, I will not participate in the class settlement, and will not receive payment of an Individual Class Payment." The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by [INSERT DATE], or it will be invalid. **Section 9** of the Notice has the Settlement Administrator's contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Action and PAGA Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least [XX] days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Class Action and PAGA Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in **Section 9** of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website [INSERT URL] or the Court's website <https://www.lacourt.org/>. Fees and other charges may apply in order to obtain copies of court records from the Court's website.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may submit a written and signed objection ("Objection") to the Settlement Administrator, which must: (i) include the full name, current mailing address, telephone number, signature, and last four digits of the Social Security number of the objecting Class Member; (ii) include the case name and number of the Action (*Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800); (iii) include a statement indicating the legal and factual grounds for the objection; (iv) include a statement indicating whether the objecting Class Member is represented by counsel and identifying any such counsel; and (v) include a statement indicating whether the objecting Class Member intends to appear for and wishes to be heard at the Final Approval Hearing. The deadline for sending written objections to the Settlement Administrator is [INSERT DATE]. **Section 9** of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See **Section 8** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

## 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [INSERT DATE] at [INSERT TIME] in Department 1 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Class Action and PAGA Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>).

Check the Court's website for the most current information. Please note that there may be deadlines to reserve a remote appearance and fees or charges may apply.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website [INSERT URL] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## **9. HOW CAN I GET MORE INFORMATION?**

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Class Action and PAGA Settlement. The easiest way to read the Agreement, the Judgment or any other Class Action and PAGA Settlement documents is to go to the Settlement Administrator's website at [INSERT URL]. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/documentimages/civilimages/publicmain.aspx>. You can also make an appointment to personally review court documents at the Spring Street Courthouse by calling (213) 310-7000. Fees and other charges may apply in order to obtain copies of court records from the Court.

### **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.**

Class Counsel:           **POTTER HANDY LLP**  
Mark D. Potter  
[[mark@potterhandy.com](mailto:mark@potterhandy.com)]  
James M. Treglio  
[[jimt@potterhandy.com](mailto:jimt@potterhandy.com)]  
100 Pine Street, Suite 1250  
San Francisco, CA 94111  
(858) 375-7385  
(888) 422-5191 FAX

Settlement  
Administrator:       **ATTICUS**  
**ADMINISTRATION**  
P.O. Box 64053  
Saint Paul, MN 55164  
Phone: [INSERT]  
Fax: [INSERT]  
E-Mail: [INSERT]

## **10. WHAT IF I LOSE MY SETTLEMENT CHECK**

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California State

Controller's Unclaimed Property Fund ([https://www.sco.ca.gov/upd\\_msg.html](https://www.sco.ca.gov/upd_msg.html)) for instructions on how to retrieve the funds.

#### **11. WHAT IF I CHANGE MY ADDRESS?**

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.

## Exhibit 2

**POTTER HANDY LLP**

Mark D. Potter (SBN 166317)

[mark@potterhandy.com](mailto:mark@potterhandy.com)

James M. Treglio (SBN 228077)

[jimt@potterhandy.com](mailto:jimt@potterhandy.com)

100 Pine St., Ste 1250,  
San Francisco, CA 94111

(858) 375-7385

Fax: (888) 422-5191

Attorneys for Plaintiff and the Putative Class

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

JOY MACOPSON, individually and on behalf  
of all others similarly situated,

Plaintiff,

v.

PACIFIC BELL TELEPHONE COMPANY, a  
California corporation, and DOES 1 to 100,  
inclusive

Defendants.

**CASE NO: 22STCV13800**

**FIRST AMENDED CLASS ACTION AND  
REPRESENTATIVE ACTION COMPLAINT  
FOR**

- (1) FAILURE TO PAY ALL WAGES OWED (LABOR CODE §§ 1194, 1194.2, 1198, AND WAGE ORDER NO. 7);**
- (2) FAILURE TO PAY ALL OVERTIME WAGES OWED (LABOR CODE §§ 510, 1194, 1194.2, 1198, AND WAGE ORDER NO. 7)**
- (3) FAILURE TO PROVIDE MEAL PERIODS AND PAY MISSED MEAL PERIOD PREMIUMS (LABOR CODE §§ 226.7, 512, IWC WAGE ORDER NO. 7);**
- (4) FAILURE TO PROVIDE ACCURATE WAGE STATEMENTS (LABOR CODE § 226 AND 226.3);**
- (5) FAILURE TO PAY ALL WAGES OWED IN A TIMELY MANNER (LABOR CODE §204);**
- (6) FAILURE TO REIMBURSE BUSINESS EXPENSES (LABOR CODE § 2802);**
- (7) UNFAIR COMPETITION IN VIOLATION OF CALIFORNIA BUSINESS & PROFESSIONS CODE §17200, ET SEQ.; AND**
- (8) PENALTIES PURSUANT TO LABOR CODE § 2699, ET SEQ.**

**DEMAND FOR JURY TRIAL**

1 Plaintiff Joy Macopson (“Plaintiff”), on behalf of herself, the State of California, and all  
2 others similarly situated (hereinafter “Class Members”) complains and alleges as follows:  
3

#### 4 **OVERVIEW OF CLAIMS**

5 1. Plaintiff brings this action on behalf of herself and all others similarly situated, as a  
6 class action pursuant to the Labor Code and on behalf of the California general public, against  
7 Defendants Pacific Bell Telephone Company and DOES 1 to 100 (collectively “Defendants”) for  
8 their (1) failure to pay Plaintiff and her fellow employees in California all wages owed; (2) failure  
9 to pay Plaintiff and her fellow employees in California all overtime wages owed; (3) failure to  
10 provide Plaintiff and her fellow employees meal periods and pay missed meal period premiums;  
11 (4) failure to provide accurate wage statements to Plaintiff and her fellow employees within the  
12 four years prior to the filing of this Complaint; (5) failure to pay all wages owed in a timely  
13 manner; (6) failure to pay all wages owed upon termination; (7) failure to reimburse business  
14 expenses; and (8) unfair business practices based on the foregoing. As a result of the foregoing,  
15 Defendants have violated California statutory laws as described below.

16 2. The “Class Period” is designated as the period from April 26, 2018 through the trial  
17 date or date of preliminary approval of class action settlement. Defendants’ violations of  
18 California’s wage and hour laws and unfair competition laws, as described more fully below, have  
19 been ongoing throughout the Class Period.

20 3. The “PAGA Period” is designated as the period from April 10, 2021 through trial or  
21 approval of settlement. Defendants’ violations of California’s wage and hour laws, as described  
22 more fully below, have been ongoing throughout the PAGA Period.

#### 23 **VENUE**

24 4. Venue is proper in this county under section 395.5 of the California Code of Civil  
25 Procedure. Many, if not all, of the putative Class Members were employed and/or performed work  
26 during the Class Period by Defendants in Los Angeles County. Many of the acts alleged herein  
27 including Defendant’s failure to pay all wages and overtime wages owed, including upon  
28

1 termination, failure to provide Labor Code compliant paid meal periods and pay missed meal  
2 period premiums, and failure to reimburse business expenses, occurred in Los Angeles County.  
3 Venue is therefore proper in Los Angeles County.

#### 4 **JURISDICTION**

5 5. Defendants are within the jurisdiction of this Court. Defendants transact millions of  
6 dollars as a telecommunications company that provides telephone service in California, including  
7 in the County of Los Angeles. Thus, Defendants have obtained the benefits of the laws of the  
8 State of California. In addition, Plaintiff asserts no claims arising under federal law. Rather,  
9 Plaintiff brings causes of action based solely on, and arising from, California law. The claims of  
10 the Class are also based solely on California law described herein.

11 6. Further, this action is not amenable to federal jurisdiction pursuant to 28 U.S.C.  
12 §1332, as (1) more than two-thirds of the members of the Class as defined below are citizens of the  
13 state of California and (2) the principal injuries resulting from the conduct alleged herein incurred  
14 in the state of California.

#### 16 **THE PARTIES**

##### 17 **A. The Plaintiff**

18 7. Plaintiff is a California resident and was employed by Defendants as a customer  
19 service representative in April 1998 assigned to their office in Van Nuys, California. At all  
20 relevant times, Plaintiff was hired to provide customer service assistance for Defendants. At all  
21 relevant times through the present, and on-going, Defendants' employees, including Plaintiff  
22 during her and their employment, were not paid by Defendants for all wages and overtime wages  
23 owed; were not provided timely duty free meal breaks or paid missed meal break premiums; were  
24 not provided accurate and/or complete wage statements; were not paid all wages owed within  
25 seven days of the close of payroll; were not paid all wages owed upon termination; and were not  
26 reimbursed for their business expenses.

27 8. Plaintiff seeks to represent the following classes:  
28

- 1 (a) all individuals who are or were employed by Defendants or their predecessor or  
2 merged entities in California as hourly, non-exempt employees, who worked more than 5  
3 hours in a workday, and were not provided with duty-free meal periods during the Class  
4 Period (“meal period class members”);
- 5 (b) all individuals who are or were employed by Defendants, or their predecessor or  
6 merged entities in California as hourly, non-exempt employees, who work or worked in  
7 excess of eight hours in a day or forty hours in a workweek during the Class Period and  
8 who were not compensated for boot-up or boot-down time (“overtime class members”);
- 9 (c) all individuals who are or were employed by Defendants, or their predecessor or  
10 merged entities in California as hourly, non-exempt employees during the Class Period  
11 (“wage statement class members”); and
- 12 (d) all individuals who are or were employed by Defendants, or their predecessor or  
13 merged entities in California as hourly, non-exempt employees who incurred home office  
14 expenses and who were not reimbursed for their business expenses during the Class Period  
15 (“reimbursement class members”).

16 (collectively referred to as “Class Members” and/or the “Class”).

17 9. By way of this First Amended Complaint, Plaintiff also seeks to represent the State  
18 of California on behalf of the following groups of aggrieved employees:

- 19 (a) all individuals who are or were employed by Defendants or their predecessor or merged  
20 entities in California in an hourly, non-exempt position, who worked more than 5 hours  
21 in a workday and who were not provided with duty-free meal periods, from April 10,  
22 2021 through the date of trial and/or approval of settlement (“meal period aggrieved  
23 employees”);
- 24 (b) all individuals who are or were employed by Defendants, or their predecessor or  
25 merged entities in California as hourly, non-exempt employees, who work or worked in  
26 excess of eight hours in a day or forty hours in a workweek, and who were not  
27 compensated for boot-up or boot-down time from any time from April 10, 2021  
28

1 through the date of trial and/or approval of settlement (“overtime aggrieved  
2 employees”);

3 (c) all individuals who are or were employed by Defendants, or their predecessor or  
4 merged entities in California as hourly, non-exempt employees from April 10, 2021  
5 through the date of trial and/or approval of settlement (“wage statement aggrieved  
6 employees”); and

7 (d) all individuals who are or were employed by Defendants or their predecessor or merged  
8 entities in California in an hourly, non-exempt position, who are or were required to  
9 spend business expenses to keep and maintain a home office without sufficient  
10 reimbursement for their expenses from April 10, 2021 through the date of trial and/or  
11 approval of settlement (“reimbursement aggrieved employees”).

12 (Collectively referred to as the “Aggrieved Employees”)

13  
14 **B. The Defendants**

15 10. Defendant Pacific Bell Telephone Company is a California corporation  
16 headquartered in San Francisco, California. Defendant is a telecommunications company that  
17 provides telephone service in California. To provide their services, Defendants employ customer  
18 service representatives, such as the Plaintiff and the Class Members.

19 11. The true names and capacities, whether individual, corporate, associate, or  
20 otherwise, of Defendants sued herein as DOES 1 to 50, inclusive, are currently unknown to  
21 Plaintiff, who therefore sues Defendants by such fictitious names under Code of Civil Procedure §  
22 474. Plaintiff is informed and believes, and based thereon alleges, that each of the Defendants  
23 designated herein as a DOE is legally responsible in some manner for the unlawful acts referred to  
24 herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and  
25 capacities of the Defendants designated hereinafter as DOES when such identities become known.

26 12. Plaintiff is informed and believes, and based thereon alleges, that each Defendant  
27 acted in all respects pertinent to this action as the agent of the other Defendants, carried out a joint  
28 scheme, business plan or policy in all respects pertinent hereto, and the acts of each Defendant are

1 legally attributable to the other Defendants. Furthermore, Defendants in all respects acted as the  
2 employer and/or joint employer of Plaintiff and the Class Members.

3 13. California courts have recognized that the definition of “employer” for purposes of  
4 enforcement of the California Labor Code goes beyond the concept of traditional employment to  
5 reach irregular working arrangements for the purpose of preventing evasion and subterfuge of  
6 California’s labor laws. *Martinez v. Combs* (2010) 49 Cal. 4th 35, 65. As such, anyone who  
7 directly or indirectly, or through an agent or any other person, engages, suffers, or permits any  
8 person to work or exercises control over the wages, hours, or working conditions of any person,  
9 may be liable for violations of the California Labor Code as to that person. Cal. Labor Code §§558  
10 and 558.1.

11 14. California law also permits and recognizes the piercing of a corporate veil between  
12 sister companies and under the single enterprise rule. *Hasso v. Hapke* (2014) 227 Cal. App. 4th  
13 107, 155; *Greenspan v. LADT, LLC* (2010) 191 Cal. App. 4th 486, 512. The single enterprise rule  
14 applies where “there are two or more personalities, there is but one enterprise; and that this  
15 enterprise has been so handled that it should respond, as a whole, for the debts of certain  
16 component elements of it.” *Hasso* 227 Cal. App. 4th at 155; *Greenspan*, 191 Cal. App. 4th at 512.

## 17 18 **FACTUAL ALLEGATIONS**

19 15. Plaintiff, the Aggrieved Employees, and the Class Members are and were employed  
20 by Pacific Bell Telephone Company, a telecommunications company that provides telephone  
21 service in California.

22 16. Plaintiff was hired by Defendants as a customer service representative in April 1998  
23 assigned to their office in Van Nuys, California. Defendants paid Plaintiff \$38 per hour. Starting in  
24 2020, Plaintiff worked from home as part of the COVID-19 mitigation efforts.

25 17. Plaintiff, the Aggrieved Employees, and the Class Members are required by  
26 Defendants to clock in and out on their respective computers, whether they were in a home office,  
27 or working out of the main office. However, booting up and shutting down their computers can  
28

1 take as much as 10 minutes. The time Plaintiff, the Aggrieved Employees, and the Class Members  
2 spend in turning on and off their computers are not compensated since they have yet to clock in  
3 before turning on their computers and they have already clocked out as they wait for their  
4 computers to shut down. At least five minutes of Plaintiff and the Class Members' meal periods  
5 are also used up for this clocking in and out procedure. Each week, Plaintiff and the Class  
6 Members had around two hours of uncompensated time due to Defendants' policies.

7 18. When the Covid-19 pandemic began in March 2020, Defendants required Plaintiff,  
8 the Aggrieved Employees, and the Class Members to work from home. As a work from home  
9 customer service representative, Plaintiff had to set up and provide everything for her home office  
10 including but not limited to high-speed Internet service, desk, chair, and other home office  
11 supplies. However, even if Plaintiff and the Class Members were responsible for their home office  
12 set-up, Defendants refused to reimburse all business-related home office expenses.

13 19. Labor Code § 1197 states the California requirement that employees must be paid at  
14 least the minimum wage fixed by the Commission, and any payment of less than the minimum  
15 wage is unlawful.

16 20. Labor Code § 1194 entitles "any employee receiving less than the legal minimum  
17 wage...to recover in a civil action the unpaid balance of the full amount of this minimum wage."

18 21. IWC Wage Order 7-2001 § 4 also obligates employers to pay each employee  
19 minimum wages for all hours worked.

20 22. As noted above, Defendants required Plaintiff, the Aggrieved Employees, and the  
21 Class Members to turn on their computers before clocking in and to shut them down after clocking  
22 out. On average, this would take around 2 hours of Plaintiff's, the Aggrieved Employees' and the  
23 Class Members' time each week. Although this was related to their employment with Defendants  
24 and they often had to work beyond 40 hours per week because of this, Defendants never paid  
25 Plaintiff, the Aggrieved Employees, and the Class Members for time spent turning on and off their  
26 computers nor were they paid for overtime work. As a result, Plaintiff, the Aggrieved Employees,  
27 and the Class Members are not compensated for all hours worked.

1           23.     In 2018, the California Supreme Court held in *Troester v. Starbucks, Inc.* (2018) 5  
2 Cal.5<sup>th</sup> 829, that an employee must be compensated for any time in which they are under the  
3 control of their employer, and performing work, even if that amount of time, as here, is limited to a  
4 few minutes per day. Thus, by not compensating Plaintiff and the Class Members for the time  
5 spent working beyond 40 hours per week while turning on and off their computers off the clock,  
6 Defendants has violated the Labor Code and the Wage Order.

7           24.     Labor Code § 1194.2 authorizes employees to recover wages to recover liquidated  
8 damages for violations of Labor Code § 1194. Where an employee, as Plaintiff and the Class  
9 Members are not paid for all hours worked under Labor Code § 1194, the employee may recover  
10 minimum wages for the time associated with the overtime for which they received no  
11 compensation. (See *Sillah v. Command Int'l Sec. Servs.* (N.D. Cal. 2015) 154 F. Supp. 3d 891  
12 [holding that employees suing for failure to pay overtime could recover liquidated damages under  
13 § 1194.2 if they also showed they were paid less than minimum wage]; accord *Andrade v. Arby's*  
14 *Rest. Grp., Inc.* (N.D. Cal. Dec. 12, 2016) No. 15-cv-03175 NC, 2016 U.S. Dist. LEXIS 172319, at  
15 \*20-21.) Since Defendant failed to provide Plaintiff, the Aggrieved Employees, and the Class  
16 Members with compensation for all hours worked, including overtime hours, each are entitled to  
17 recover liquidated damages under Labor Code § 1194.2. Based upon these same factual  
18 allegations, Plaintiff also seeks penalties on behalf of all Class Members and Aggrieved  
19 Employees under Labor Code § 1199.

20           25.     Labor Code § 512 requires employers to provide employees with thirty (30) minute  
21 uninterrupted and duty-free meal period within the first five hours of work. “An on-duty meal  
22 period is permitted only when the nature of the work prevents an employee from being relieved of  
23 all duty and the parties agree in writing to an on-duty paid meal break.” (*Lubin v. The Wackenhut*  
24 *Corp.* (2016) 5 Cal. App. 5th 926, 932.) The written agreement must include a provision allowing  
25 the employee to revoke it at any time. *Id.*

26           26.     Generally, the DLSE and courts have “found that the nature of the work exception  
27 applies: ‘(1) where the work has some particular external force that requires the employee to be on  
28 duty at all times, and (2) where the employee is the sole employee of a particular employer.’” (*Id.* at

1 p. 945; *Abdullah v. U.S. Security Associates, Inc.* (9th Cir. 2013) 731 F.3d 952, 958–959.) “[I]t is  
2 the employer’s obligation to determine whether the nature of the work prevents an employee from  
3 being relieved before requiring an employee to take an on-duty meal period.” (*Lubin, supra*, 5 Cal.  
4 App. 5th at p. 946.) Nor may an employer “discharge its duty by arguing that its clients who  
5 requested on-duty meal periods determined that the nature of the work prevented officers from  
6 being relieved of all duty.” (*Id.* at p. 947; *Benton, supra*, 220 Cal. App. 4th at p. 729.

7 27. As with rest periods, under Labor Code § 512, if an employer maintains a uniform  
8 policy that does not authorize and permit the amount of meal time called for under the law (as  
9 specified in the applicable Wage Order), “it has violated the wage order and is liable.” The  
10 Brinker Court explained in the context of rest breaks that employer liability attaches from adopting  
11 an unlawful policy:

12 An employer is required to authorize and permit the amount of rest break  
13 time called for under the wage order for its industry. If it does not—if, for  
14 example, it adopts a uniform policy authorizing and permitting only one  
15 rest break for employees working a seven-hour shift when two are  
16 required—**it has violated the wage order and is liable.** *Brinker Rest.*  
*Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1033. (Emphasis added.)

17 28. As a result of Defendant’s policies of requiring Plaintiff, the Aggrieved Employees,  
18 and the Class Members to clock in and out during their meal periods, which in turn, can take  
19 upwards of 5 minutes to restart up, Defendant violated Labor Code § 512 and IWC Wage Order  
20 No. 7 by failing to provide duty-free meal periods to Plaintiff and the Class Members of 30  
21 minutes or more. Plaintiff, the Aggrieved Employees, and the Class Members lose around 5  
22 minutes of their meal periods each day due to Defendant’s boot up policies.

23 29. Thus, Defendant unlawfully retained control of Plaintiff, the Aggrieved Employees,  
24 and the Class Members during their meal periods, even though the nature of the work did not  
25 necessitate an on-duty meal period (and by failing to enter into proper on-duty meal period  
26 agreements). See *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal. 5th 257, 275 (holding that  
27 on-premises breaks violate California law). As a result of Defendant’s failure to authorize or  
28 permit lawful meal periods, Plaintiff, the Aggrieved Employees, and the Class Members did not  
receive duty-free meal periods. Defendant also failed to pay Plaintiff and the meal period class

1 members meal period premiums for each workday that the employees did not receive a compliant  
2 meal period.

3 30. Labor Code § 226.7 provides “an employer shall not require an employee to work  
4 during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable  
5 regulation, standard, or order of the Industrial Welfare Commission (“IWC”). Similarly, IWC  
6 Wage Order 7-2001 prohibits an employer from “employ[ing] any person for a work period of  
7 more than five (5) hours without a meal period of not less than 30 minutes. IWC Wage Order 7-  
8 2001 further obligates employers to provide an employee to “pay the employee one (1) hour of pay  
9 at the employee’s regular rate of compensation for each workday that the meal period is not  
10 provided. Accordingly, for each day that Plaintiff, the Aggrieved Employees, and the Class  
11 Members did not receive compliant meal periods, they are entitled to receive meal period  
12 premiums pursuant to Labor Code § 226.7 and Wage Order 7-2001.

13 31. Labor Code § 510 requires an employer to compensate an employee who works  
14 more than eight (8) hours in one workday, forty (40) hours in a workweek, and for the first eight  
15 (8) hours worked on the seventh consecutive day no less than one and one-half times the regular  
16 rate of pay for an employee. Further, Labor Code § 510 obligates employers to compensate  
17 employees at no less than twice the regular rate of pay when an employee works more than twelve  
18 (12) hours in a day or more than eight (8) hours on the seventh consecutive day of work. In  
19 accordance with Labor Code § 1194, Plaintiff, the Aggrieved Employees, and the Class Members  
20 could not then agree and cannot now agree to work for a lesser wage than the amount proscribed  
21 by Labor Code §§ 510 and 1194.

22 32. For the reasons stated above, Plaintiff, the Aggrieved Employees, and the Class  
23 Members worked certain hours for which they were not paid. Defendants required Plaintiff and the  
24 Class Members to turn on and off their computers off the clock, i.e., before clocking in and after  
25 clocking out. This time amounts and amounted to at least 2 hours per week. Because Plaintiff, the  
26 Aggrieved Employees, and the Class Members spent eight hours or more working on  
27 “compensated” time, this uncompensated time for work done beyond eight hours each day should  
28 have been compensated at the overtime rate. Instead, no compensation was paid at all, in violation

1 of Cal. Labor Code §§ 510, 1194, and Wage Order 7-2001.

2 33. Labor Code § 204 expressly requires that “[a]ll wages...earned by any person in  
3 any employment are due and payable twice during each calendar month, on days designated in  
4 advance by the employer as the regular paydays.” Pursuant to Labor Code § 204(d), these  
5 requirements are “deemed satisfied by the payment of wages for weekly, biweekly or semimonthly  
6 payroll if the wages are paid not more than seven calendar days following the close of the payroll  
7 period.

8 34. Due to Defendants’ failure to pay Plaintiff, the Aggrieved Employees, and the Class  
9 Members all hours worked and overtime, Defendants failed to timely pay the Class Members  
10 within seven (7) days of the close of the payroll period in accordance with Labor Code § 204 on a  
11 regular and consistent basis. See *Parson v. Golden State FC, LLC*, 2016 U.S. Dist. LEXIS 58299,  
12 2016 WL 1734010, at \*3-5 (N.D. Cal. May 2, 2016) (finding after Ling that a failure to pay rest  
13 period premiums can support claims under Labor Code §§ 203 and 204).

14 35. Labor Code § 210 provides that “in addition to, an entirely independent and apart  
15 from, any other penalty provided in this article, every person who fails to pay the wages of each  
16 employee as provided in Sections...204...shall be subject to a civil penalty as follows: (1) For any  
17 initial violation, one hundred dollars (\$100) for each failure to pay each employee; (2) for each  
18 subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each  
19 failure to pay each employee, plus 25% of the amount unlawfully withheld.” As a result of the  
20 faulty compensation policies and practices described in detail above, Plaintiff and the Class  
21 Members are entitled to recover penalties under Labor Code § 210.

22 36. As a result of Defendants’ failure to pay wages to Plaintiff, the Aggrieved  
23 Employees, and the Class Members for all hours worked and overtime wages, Defendants violated  
24 Labor Code § 203. Labor Code § 203 provides “if an employer willfully fails to pay . . . any  
25 wages of an employee who is discharged or who quits, the wages of the employee shall continue as  
26 a penalty. . .” for up to 30 days. Lab. Code § 203; *Mamika v. Barca*, (1998) 68 Cal.App.4th 487,  
27 492.

1           37. Due to Defendants' faulty policies described above, all Aggrieved Employees  
2 whose employment with Defendants concluded were not compensated at the appropriate rate.  
3 Additionally, Defendants have failed to pay all Aggrieved Employees for all hours worked and  
4 overtime wages, whose sums were certain, at the time of termination or within seventy-two (72)  
5 hours of their resignation and have failed to pay those sums for thirty (30) days thereafter.

6           38. As to Plaintiff, the Aggrieved Employees, and the Class Members, Defendants also  
7 failed to provide accurate itemized wage statements in accordance with Labor Code § 226(a)(1, 2,  
8 5, 9). Labor Code § 226 obligates employers, semi-monthly or at the time of each payment to  
9 furnish an itemized wage statement in writing showing:

- 10                   (1) gross wages earned;  
11                   (2) total hours worked by the employee;  
12                   (3) the number of piece-rate units earned and any applicable piece rate if  
13                   the employee is paid on a piece rate;  
14                   (4) all deductions, provided that all deductions made on written orders of  
15                   the employee may be aggregated and shown as one item;  
16                   (5) net wages earned;  
17                   (6) the inclusive dates of the period for which the employee is paid;  
18                   (7) the name of the employee and only the last four digits of his or her  
19                   social security number or an employee identification number other than a  
20                   social security number;  
21                   (8) the name and address of the legal entity that is the employer...;  
22                   (9) all applicable hourly rates in effect during the pay period and the  
23                   corresponding number of hours worked at each hourly rate by the  
24                   employee...

25           39. Similarly, Labor Code § 226(e) provides:

26                   (e) (1) An employee suffering injury as a result of a knowing and  
27                   intentional failure by an employer to comply with subdivision (a) is  
28                   entitled to recover the greater of all actual damages or fifty dollars (\$50)  
for the initial pay period in which a violation occurs and one hundred  
dollars (\$100) per employee for each violation in a subsequent pay period,  
not to exceed an aggregate penalty of four thousand dollars (\$4,000), and  
is entitled to an award of costs and reasonable attorney's fees.

(2) (A) An employee is deemed to suffer injury for purposes of this  
subdivision if the employer fails to provide a wage statement.

(B) An employee is deemed to suffer injury for purposes of this  
subdivision if the employer fails to provide accurate and complete  
information as required by any one or more of items (1) to (9), inclusive,  
of subdivision (a) and the employee cannot promptly and easily determine  
from the wage statement alone one or more of the following:

- (i) The amount of the gross wages or net wages paid to the

employee during the pay period or any of the other information required to be provided on the itemized wage statement pursuant to items (2) to (4), inclusive, (6), and (9) of subdivision (a).

(ii) Which deductions the employer made from gross wages to determine the net wages paid to the employee during the pay period. Nothing in this subdivision alters the ability of the employer to aggregate deductions consistent with the requirements of item (4) of subdivision (a).

(iii) The name and address of the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer during the pay period.

(iv) 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.

40. Due to Defendants' failure to pay Plaintiff, the Aggrieved Employees, and the Class Members for all hours worked and overtime, the wage statements issued by Defendants do not indicate the correct amount of gross wages earned, the correct total hours worked, the correct net wages earned, or the applicable and/or correct hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of Labor Code § 226(a)(1), (2), (5) and (9).

41. Thus, Defendants have violated Labor Code § 226(a)(1), (2), (5), and (9) with respect to Plaintiff and the Class Members.

42. Labor Code § 226.3 provides that "[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226." As explained in detail above, Defendants failed to provide Plaintiff, the Aggrieved Employees, and the Class Members with accurate itemized wage statements. Accordingly, Plaintiff, the Aggrieved Employees, and the Class Members may also recover Labor Code § 226.3 penalties for Defendants' violations of Labor Code § 226(a). See *Finder v. Leprino Foods Co.* (E.D. Cal. Mar. 12, 2015) No. 1:13-CV-2059 AWI-BAM, 2015 WL 1137151, at \*7 ["the weight of authority counsels that

violations of Section 226.3 may be the basis of a PAGA claim.”]; *Pedroza v. PetSmart, Inc.*, No. ED CV 11-298 GHK DTB, 2012 WL 9506073, at \*6 (C.D. Cal. June 14, 2012) (“Lab. Code § 226.3 merely provides that failure to perform actions mandated by § 226(a) may trigger civil penalties.”).

43. As Defendants required Plaintiff, the Aggrieved Employees, and the Class Members work from home when the Covid-19 pandemic began, Plaintiff, the Aggrieved Employees, and the Class Members had to set up and provide everything for their home offices including, but not limited to high-speed Internet service, desk, chair, and other home office supplies. However, even if Plaintiff, the Aggrieved Employees, and the Class Members were responsible for their home office set-up, Defendants refused to reimburse all business-related home office expenses.

44. Cal. Labor Code §2802 (a) provides that:

An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

45. Thus, employees such as Plaintiff, the Aggrieved Employees, and the Class Members, are entitled to reimbursement for the expenses they incur during the course of their duties. The duty to reimburse even extends to the use of equipment the employee may already own, and would be required to pay for anyway. *Cochran v. Schwan's Home Serv., Inc.* (2014) 228 Cal. App. 4th 1137, 1144 (“The threshold question in this case is this: Does an employer always have to reimburse an employee for the reasonable expense of the mandatory use of a personal cell phone, or is the reimbursement obligation limited to the situation in which the employee incurred an extra expense that he or she would not have otherwise incurred absent the job? The answer is that reimbursement is always required. Otherwise, the employer would receive a windfall because it would be passing its operating expenses on to the employee.”) After all, the purpose of 2802 is to “prevent employers from passing along their operating expenses onto their employees.” *Gattuso v. Harte-Hanks Shoppers, Inc.*, (2007) 42 Cal. 4th 554, 562.

46. Here, Defendants did not have a reimbursement policy for Plaintiff, the Aggrieved

1 Employees, and the Class Members for their reasonable and necessary business expenses. Thus, it  
2 is clear that not only did Plaintiff, the Aggrieved Employees, and the Class Members incur  
3 expenses as a result of their employment, but that Defendants had a constructive knowledge of  
4 those expenses, and anticipating them, informed Plaintiff and the class members that it would not  
5 provide any reimbursement. Therefore, Defendants have violated § 2802 with respect to Plaintiff,  
6 the Aggrieved Employees, and the Class Members.

### 7 **CLASS ACTION ALLEGATIONS**

8 47. Plaintiff brings this action, on behalf of herself and all others similarly situated, as a  
9 class action pursuant to Code of Civil Procedure § 382.

10 48. Plaintiff seeks to represent the following classes:

11 49. (a) all individuals who are or were employed by Defendants or their predecessor or  
12 merged entities in California as hourly, non-exempt employees, who worked more than  
13 5 hours in a workday, and were not provided with duty-free meal periods during the  
14 Class Period (“meal period class members”);

15 50. (b) all individuals who are or were employed by Defendants, or their predecessor or  
16 merged entities in California as hourly, non-exempt employees, who work or worked in  
17 excess of eight hours in a day or forty hours in a workweek during the Class Period and  
18 who were not compensated for boot-up or boot-down time (“overtime class members”);

19 51. (c) all individuals who are or were employed by Defendants, or their predecessor or  
20 merged entities in California as hourly, non-exempt employees during the Class Period  
21 (“wage statement class members”); and

22 52. (d) all individuals who are or were employed by Defendants, or their predecessor or  
23 merged entities in California as hourly, non-exempt employees who incurred home  
24 office expenses and who were not reimbursed for their business expenses during the  
25 Class Period (“reimbursement class members”).

26 53. This action has been brought and may properly be maintained as a class action  
27 under Code of Civil Procedure § 382 because there is a well-defined community of interest in the  
28

litigation, the proposed class is easily ascertainable, and Plaintiff is a proper representative of the Class:

a. Numerosity: The potential members of the Class as defined are so numerous that joinder of all the members of the Class is impracticable. While the precise number of Class Members has not been determined at this time, Plaintiff is informed and believes that Defendants have, on average, during the Class Period employed over 200 Class Members. The Class Members are dispersed throughout California. Joinder of all members of the proposed classes is therefore not practicable.

b. Commonality: There are questions of law and fact common to Plaintiff and the Class that predominate over any questions affecting only individual members of the Class. These common questions of law and fact include, without limitation:

i. Whether Defendants violated sections 1194, 1194.2, and 1198 of the Labor Code by failing to pay Plaintiff and the members of the Class for all wages owed during the Class Period;

ii. Whether Defendants violated Labor Code sections 512 and 226.7, and section 11 of IWC Wage Order No. 7 by failing to pay one hour of premium pay to each member of the Class for each day that a 30 minute, unpaid meal break was not provided during the Class Period;

iii. Whether Defendants violated Sections 510, 1194, 1194.2, and 1198 of the Labor Code and IWC Wage Order No. 7 during the Class Period by failing to pay Plaintiff and the Class Members all overtime wages owed;

iv. Whether Defendants violated Labor Code sections 204 and 210 by failing to pay Plaintiff and the Class Members all wages owed with seven days of the close of payroll;

v. Whether Defendants violated Section 203 of the Labor Code by failing to pay members of the Waiting Time Penalty Subclass (those class members who have terminated their employment with the Defendants) for all wages due to them upon their separation of employment from Defendant;

vi. Whether Defendants failed to provide Plaintiff and the Class Members

1 complete wage statements in violation of Labor Code Section 226(a);

2                   vii. Whether Defendants violated Labor Code section 2802 by failing to provide  
3 Plaintiff and the Class Members reimbursement for their business expenses;

4                   viii. Whether Defendants engaged in an unfair practice and violated section  
5 17200 of the California Business and Professions Code by failing to pay Plaintiff and the members  
6 of the Class for all wages and overtimes wages owed during the Class Period;

7                   ix. Whether Defendants engaged in an unfair practice and violated section  
8 17200 of the California Business and Professions Code by failing to provide off-duty meal breaks  
9 to members of the Class in violation of Labor Code sections 512, 226.7 and Section 11 of IWC  
10 Wage Order No. 7;

11                   x. Whether Defendants engaged in an unfair practice and violated section  
12 17200 of the California Business and Professions Code by failing to reimburse the business  
13 expenses of the members of the Class in violation of Labor Code section 2802;

14                   xi. Whether Plaintiff and the Class are entitled to restitution under Business and  
15 Professions Code § 17200;

16                   xii. The proper formula(s) for calculating damages, interest, and restitution  
17 owed to Plaintiff and the Class Members;

18                   xiii. The nature and extent of class-wide damages.

19                   c.     Typicality: Plaintiff's claims are typical of the claims of the Class. Both  
20 Plaintiff and Class Members sustained injuries and damages, and were deprived of property rightly  
21 belonging to them, arising out of and caused by Defendants' common course of conduct in  
22 violation of law as alleged herein, in similar ways and for the same types of unpaid wages.

23                   d.     Adequacy of Representation: Plaintiff is a member of the Class and will  
24 fairly and adequately represent and protect the interests of the Class and Class Members.  
25 Plaintiff's interests do not conflict with those of Class and Class Members. Counsels who  
26 represent Plaintiff are competent and experienced in litigating large wage and hour class actions,  
27 and other employment class actions, and will devote sufficient time and resources to the case and  
28

1 otherwise adequately represent the Class and Class Members.

2 e. Superiority of Class Action: A class action is superior to other available  
3 means for the fair and efficient adjudication of this controversy. Individual joinder of all Class  
4 Members is not practicable, and questions of law and fact common to the Class predominate over  
5 any questions affecting only individual members of the Class. Each Class Member has been  
6 damaged or may be damaged in the future by reason of Defendants' unlawful policies and/or  
7 practices. Certification of this case as a class action will allow those similarly situated persons to  
8 litigate their claims in the manner that is most efficient and economical for the parties and the  
9 judicial system. Certifying this case as a class action is superior because it allows for efficient and  
10 full disgorgement of the ill-gotten gains Defendants have enjoyed by maintaining its unlawful  
11 compensation and non-reimbursement policies and will thereby effectuate California's strong  
12 public policy of protecting employees from deprivation or offsetting of compensation earned in  
13 their employment. If this action is not certified as a Class Action, it will be impossible as a  
14 practical matter, for many or most Class Members to bring individual actions to recover monies  
15 unlawfully withheld from their lawful compensation due from Defendants, due to the relatively  
16 small amounts of such individual recoveries relative to the costs and burdens of litigation.

17  
18 **FIRST CAUSE OF ACTION**  
19 **FAILURE TO PAY FOR ALL HOURS WORKED**  
20 **[Cal. Labor Code §§ 1194; 1194.2, and 1198]**  
21 **On behalf of Plaintiff and the Class Against All Defendants**

22 54. Plaintiff re-alleges and incorporates by reference each and every allegation set forth  
23 in the preceding paragraphs.

24 55. Section 1194 of the Labor Code provides, in relevant part:

25 Notwithstanding any agreement to work for a lesser wage, any employee  
26 receiving less than minimum wage...applicable to the employee is entitled to  
27 recover in a civil action the unpaid balance of the full amount of this  
28 minimum wage ..., including interest thereon, reasonable attorney's fees, and  
costs of suit.

56. Section 1194.2 of the Labor Code provides, in relevant part:

In any action under...Section 1194 to recover wages because of the payment

1 of a wage less than the minimum wage fixed by an order of the commission,  
2 an employee shall be entitled to recover liquidated damages in an amount  
equal to the wages unlawfully unpaid and interest thereon.

3 57. As noted above, Defendants required Plaintiff and the class members to clock in  
4 and out off the clock. On average, this would take around 2 hours of Plaintiff's and the class  
5 members' time each week. Although this was related to their employment with Defendants and  
6 they often had to work beyond 40 hours per week because of this, Defendants never paid Plaintiff  
7 and the class members for time spent clocking in and out nor were they paid for overtime work. As  
8 a result, Plaintiff and the Class Members are not compensated for all hours worked in violation of  
9 Labor Code § 1194.

10 58. Pursuant to sections 1194, 1194.2, and 1198 of the California Labor Code, Plaintiff  
11 and the Class are entitled to recover, either their unpaid hourly wages due, or minimum wage plus  
12 interest and/or liquidated damages in an additional amount equal to the total amount of wages  
13 unlawfully withheld during the Class Period for unpaid work hours.

14 59. Pursuant to section 1194.2 of the Labor Code, Plaintiff and the Class are also  
15 entitled to recover interest, costs, and attorneys' fees associated with this cause of action.

16  
17 **SECOND CAUSE OF ACTION**  
18 **FAILURE TO PROVIDE OFF-DUTY MEAL BREAKS AND FAILURE**  
19 **TO PAY MISSED MEAL BREAK PREMIUMS**  
**[Cal. Labor Code §§ 226.7, 512]**  
**On behalf of Plaintiff and the Class Against All Defendants**

20 60. Plaintiff re-alleges and incorporates by reference each and every allegation set forth  
21 in the preceding paragraphs.

22 61. California Labor Code § 226.7(a) provides, "No employer shall require any  
23 employee to work during any meal or rest period mandated by an applicable order of the Industrial  
24 Welfare Commission.

25 62. Section 11(A) and (B) of IWC Wage Order No. 7 provide that:

26 "No employer shall employ any person for a work period of more than five (5)  
27 hours without a meal period of not less than 30 minutes, except that when a  
28 work period of not more than six (6) hours will complete the day's work the  
meal period may be waived by mutual consent of the employer and the

1 employee...An employer may not employ an employee for a work period of  
2 more than ten (10) hours per day without providing the employee with a  
3 second meal period of not less than 30 minutes, except that if the total hours  
4 worked is no more than 12 hours, the second meal period may be waived by  
mutual consent of the employer and the employee only if the first meal period  
was not waived.

5 63. Section 11(C) of IWC Wage Order No. 7 provides that

6 Unless the employee is relieved of all duty during a 30-minute meal period,  
7 the meal period shall be considered an on-duty meal period and counted as  
8 time worked. An on-duty meal period shall be permitted only when the nature  
9 of the work prevents an employee from being relieved of all duty and when by  
10 written agreement between the parties an on-the-job paid meal period is  
11 agreed to. The written agreement shall state that the employee may, in writing,  
12 revoke the agreement at any time.

13 64. Finally, Section 11(D) of IWC Wage Order No. 7 provides that

14 If an employer fails to provide an employee a meal period in accordance with  
15 the applicable provisions of this order, the employer shall pay the employee  
16 one (1) hour of pay at the employee's regular rate of compensation for each  
17 workday that the meal period is not provided.

18 65. As alleged herein, as a result of its meal period policies of requiring Plaintiff and  
19 the Class Members to clock in and out off the clock before and after their meal periods, Defendant  
20 violated Labor Code § 512 and IWC Wage Order No. 7 by failing to provide duty-free meal  
21 periods to Plaintiff and the Class Members of 30 minutes or more, and are liable to Plaintiff and  
22 the Class.

23 66. As a result of the unlawful acts of Defendants, Plaintiff and the Class were not  
24 provided timely duty-free meal breaks, and are entitled to recovery under Cal. Labor Code §226.7  
25 in the amount of one additional hour of pay at the employee's regular rate of compensation for  
26 each work period greater than 5 hours in California during each day in which Defendants failed to  
27 provide employees with timely duty-free meal periods as required by California law.

28  
**THIRD CAUSE OF ACTION**  
**FAILURE TO PAY ALL WAGES WITHIN A TIMELY MANNER**  
**[Cal. Labor Code §§ 204]**  
**On behalf of Plaintiff, and the Class Against All Defendants**

67. Plaintiff incorporates by this reference, as though fully set forth herein, the

preceding paragraphs of this Complaint.

68. Cal. Lab. Code §200 provides that “‘wages’ include all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, pieces, commission basis, or other method of calculation.”

69. Cal. Labor Code §204 states that all wages earned by any person in any employment are payable twice during the calendar month, and must be paid not more than seven days following the close of the period when the wages were earned.

70. Cal. Lab. Code §216 establishes that it is a misdemeanor for any person, with regards to wages due, to “falsely deny the amount or validity thereof, or that the same is due, with intent to secure himself, his employer or other person, any discount upon such indebtedness, or with intent to annoy, harass, oppress, hinder, delay, or defraud, the person to whom such indebtedness is due.”

71. Defendants, as a matter of established company policy and procedure, in the State of California, scheduled, required, suffered, and/or permitted Plaintiff and other members of the Class, to work during payperiods, and not compensate them for their work within seven days of the close of payroll.

72. In addition, Defendants, as a matter of established company policy and procedure in the State of California, scheduled, required, suffered and/or permitted Plaintiff and the members of the Class, to work without compensation, and failed to pay Plaintiff and the members of the Class, for their hours worked within seven days of the close of payroll, as required by law.

73. Defendants, as a matter of established company policy and procedure in the State of California, falsely deny they owe Plaintiff and the other members of the Class these wages, with the intent of securing for itself a discount upon its indebtedness and/or to annoy, harass, oppress, hinder, delay, and/or defraud Plaintiff and the Class Members.

74. Defendants’ pattern, practice and uniform administration of its corporate policy of illegally denying employees compensation, as described herein, is unlawful and entitles Plaintiff and members of the Class, to recover, pursuant to Cal. Lab. Code §218, the unpaid balance of the

1 compensation owed to them in a civil action.

2 75. Pursuant to Cal. Lab. Code §218.6 and to Cal. Civ. Code §§3287 (b) and 3289,  
3 Plaintiff and members of the Class, seek to recover pre-judgment interest on all amounts recovered  
4 herein.

5 76. Pursuant to Cal. Lab. Code §218.5, Plaintiff and members of the Class, request that  
6 the Court award them reasonable attorneys' fees and the costs incurred by them in this action, as  
7 well as any statutory penalties Defendants' may owe under the California Labor Code and/or any  
8 other statute.

9  
10 **FOURTH CAUSE OF ACTION**  
11 **FAILURE TO PROVIDE COMPLETE WAGE STATEMENTS**  
12 **[Cal. Labor Code § 226(a) and 226.2(a)(2)(A)-(B)]**  
13 **On behalf of Plaintiff and the Wage Statement and Penalty Subclass Against All Defendants**

14 77. Plaintiff re-alleges and incorporates by reference each and every allegation set forth  
15 in the preceding paragraphs.

16 78. The actionable period for this cause of action is one year prior to the filing of this  
17 Complaint through the present, and on-going until the violations are corrected or the subclass is  
18 certified.

19 79. Section 226(a) of the California Labor Code provides, in relevant part:

20 Every employer shall...furnish each of his or her employees...an accurate  
21 itemized statement in writing showing (1) gross wages earned, (2) total hours  
22 worked by the employee, except for any employee whose compensation is  
23 solely based on a salary and who is exempt from payment of overtime under  
24 subdivision (a) of Section 515 or any applicable order of the Industrial  
25 Welfare Commission, (3) the number of piece-rate units earned and any  
26 applicable piece rate if the employee is paid on a piece-rate basis, (4) all  
27 deductions, provided that all -deductions made on written orders of the  
28 employee may be aggregated and shown as one item, (5) net wages earned,  
(6) the inclusive dates of the period for which the employee is paid, (7) the  
name of the employee and only the last four digits of his or her social security  
number or an employee identification number other than a social security  
number, (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...

1           80. As set forth above, during the Class Period, due to their failure to pay for all hours  
2 worked and overtime, Defendants failed to issue wage statements to its employees in California,  
3 including Plaintiff, that complied with Labor Code Section 226(a).

4           81. Defendants' "wage statements" failed to comply with either section 226 or 226.2.  
5 First, Defendants failed to identify themselves as the employer. Second, Defendants' "wage  
6 statements" also did not include total hours worked, the total amount of time spent on rest periods  
7 & other nonproductive tasks, and all applicable hourly rates in effect during the pay period and the  
8 corresponding number of hours worked at each hourly rate in violation of Labor Code Sections  
9 226(a) and 226.2.

10           82. Defendants failure to comply with section 226(a) of the Labor Code was knowing  
11 and intentional, particularly following the issuance of *McKenzie v. Federal Express Corp.*, 765  
12 F.Supp.2d 1222, 1229 (C.D.Cal. 2011) and/or the passage of Section 226.2.

13           83. As a result of Defendants' issuance of inaccurate itemized wage statements to  
14 Plaintiff and members of the wage statement and penalty subclass (i.e., those members of the class  
15 who were employed by Defendants during the actionable period for this cause of action) in  
16 violation of section 226(a) of the California Labor Code, Plaintiff and the Class are each entitled to  
17 recover an initial penalty of \$50, and subsequent penalties of \$100, up to an amount not exceeding  
18 an aggregate penalty of \$4,000 per Plaintiff and per every member of the Class from Defendants  
19 pursuant to section 226(e) of the Labor Code, costs and reasonable attorneys' fees.

20  
21                                   **FIFTH CAUSE OF ACTION**  
22                                   **FAILURE TO PAY ALL OVERTIME WAGES**  
23                                   **(Violation of Labor Code §§ 510, 1194, and 1198, and the "Hours and Days of Work" section**  
24                                   **of IWC Wage Order No. 7)**  
25                                   **By Plaintiff and the Overtime Class Against All Defendants**

26           84. Plaintiff re-alleges and incorporates by reference the allegations contained in the  
27 paragraphs above, as though fully set forth herein.

28           85. Labor Code § 510 provides, "[a]ny work in excess of eight hours in one workday  
and any work in excess of 40 hours in any one workweek and the first eight hours worked on the

1 seventh day of work in any one workweek shall be compensated at the rate of no less than one and  
2 one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day  
3 shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In  
4 addition, any work in excess of eight hours on any seventh day of a workweek shall be  
5 compensated at the rate of no less than twice the regular rate of pay of an employee." The "Hours  
6 and Days of Work" section of the applicable IWC Wage Order mandate the same requirements.

7 86. Labor Code § 1194 provides that any employee receiving less than the legal  
8 overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid  
9 balance of the full amount of this overtime compensation, including interest thereon, reasonable  
10 attorney's fees, and costs of suit.

11 87. Furthermore, pursuant to Labor Code § 1198, "[t]he maximum hours of work and  
12 the standard conditions of labor fixed by the commission shall be the maximum hours of work and  
13 the standard conditions of labor for employees. The employment of any employee for longer hours  
14 than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

15 88. The IWC Wage Order 7-2001 defines the term "hours worked" as "the time during  
16 which an employee is subject to the control of an employer, and includes all the time the employee  
17 is suffered or permitted to work, whether or not required to do so."

18 89. In California, overtime is computed based on the regular rate of pay. The regular  
19 rate of pay includes all different types of remuneration, including hourly earnings, salary,  
20 piecework earnings, commissions, and non-discretionary bonuses, and the value of meals and  
21 lodging.

22 90. Plaintiff and members of the Overtime Class regularly worked over eight hours per  
23 day and 40 hours per week while employed by Defendants. Defendants required Plaintiff and the  
24 class members to clock in and out off the clock. This time amounts and amounted to at least 2  
25 hours per week. Plaintiff and members of the Overtime Class did not receive all overtime  
26 compensation owed for all overtime hours worked over eight hours per day and/or 40 hours per  
27 week, and/or for every hour worked during the seventh day of work, at the applicable overtime rate  
28

1 during their employment with Defendants.

2 91. Defendants failed to pay Plaintiff and members of the Overtime Class at the proper  
3 overtime rate for all the time spent working and under the control of Defendants. Defendants also  
4 failed to pay overtime compensation for all overtime hours worked over eight hours per day and/or  
5 40 hours per week.

6 92. Plaintiff and members of the Overtime Class suffered and continue to suffer losses  
7 related to the use and enjoyment of compensation due and owing to them as a direct result of  
8 Defendants' unlawful acts and Labor Code violations in an amount to be shown according to proof  
9 at trial and within the jurisdictional limitations of this Court.

10 93. Plaintiff seeks all available remedies for Defendants' violations including, but not  
11 limited to any and all wages due, monies, interest, attorney's fees, and costs to the extent permitted  
12 by law.

13 **SIXTH CAUSE OF ACTION**  
14 **FAILURE TO REIMBURSE BUSINESS EXPENSES**  
15 **(Violation of Labor Code § 2802)**  
16 **By Plaintiff and the Rest Day Class Against All Defendants**

17 94. When the Covid-19 pandemic began in March 2020, Defendants required Plaintiff  
18 and the Class Members to work from home. As a work from home customer service representative,  
19 Plaintiff had to set up and provide everything for her home office including but not limited to high-  
20 speed Internet service, desk, chair, and other home office supplies. However, even if Plaintiff and  
21 the class members were responsible for their home office set-up, Defendants refused to reimburse  
22 all business-related home office expenses.

23 95. Cal. Labor Code §2802 (a) provides that:

24 An employer shall indemnify his or her employee for all necessary  
25 expenditures or losses incurred by the employee in direct consequence of  
26 the discharge of his or her duties, or of his or her obedience to the  
directions of the employer, even though unlawful, unless the employee, at  
the time of obeying the directions, believed them to be unlawful.

27 96. Thus, employees such as Plaintiff and the class members, are entitled to  
28 reimbursement for the expenses they incur during the course of their duties. The duty to reimburse

1 even extends to the use of equipment the employee may already own, and would be required to  
2 pay for anyway. *Cochran v. Schwan's Home Serv., Inc.* (2014) 228 Cal. App. 4th 1137, 1144 (“The  
3 threshold question in this case is this: Does an employer always have to reimburse an employee for  
4 the reasonable expense of the mandatory use of a personal cell phone, or is the reimbursement  
5 obligation limited to the situation in which the employee incurred an extra expense that he or she  
6 would not have otherwise incurred absent the job? The answer is that reimbursement is always  
7 required. Otherwise, the employer would receive a windfall because it would be passing its  
8 operating expenses on to the employee.”) After all, the purpose of 2802 is to “prevent employers  
9 from passing along their operating expenses onto their employees.” *Gattuso v. Harte-Hanks*  
10 *Shoppers, Inc.*, (2007) 42 Cal. 4th 554, 562.

11 97. Here, Defendants did not have a reimbursement policy for Plaintiff and the class  
12 members for their reasonable and necessary business expenses. Thus, it is clear that not only did  
13 Plaintiff and the class members incur expenses as a result of their employment, but that Defendants  
14 had a constructive knowledge of those expenses, and anticipating them, informed Plaintiff and the  
15 class members that it would not provide any reimbursement. Therefore, Defendants have violated  
16 § 2802 with respect to Plaintiff and the class members.

17  
18 **SEVENTH CAUSE OF ACTION**  
19 **UNFAIR COMPETITION LAW VIOLATIONS**  
20 **(BUS. & PROF. CODE § 17200, ET SEQ.)**  
21 **On Behalf of Plaintiff and the Class Against All Defendants**

22 98. Plaintiff re-alleges and incorporates by reference each and every allegation set forth  
23 in the preceding paragraphs.

24 99. Section 17200 of the California Business & Professions Code prohibits any  
25 unlawful, unfair, or fraudulent business practices. Business & Professions Code § 17204 allows  
26 “any person who has suffered injury in fact and has lost money or property” to prosecute a civil  
27 action for violation of the UCL. Such a person may bring such an action on behalf of himself and  
28 others similarly situated who are affected by the unlawful, unfair, or fraudulent business practice.

100. Under section 17208 of the California Business and Professions Code, the statute of

1 limitations for a claim under Section 17200 is four years. Accordingly, the actionable period for  
2 this cause of action is four years prior to the filing of this Complaint through the present, and on-  
3 going until the violations are corrected, or the Class is certified.

4 101. Section 90.5(a) of the Labor Code states that it is the public policy of California to  
5 enforce vigorously minimum labor standards in order to ensure employees are not required to work  
6 under substandard and unlawful conditions, and to protect employers who comply with the law  
7 from those who attempt to gain competitive advantage at the expense of their workers by failing to  
8 comply with minimum labor standards.

9 102. As a direct and proximate result of Defendants' unlawful business practices,  
10 Plaintiff and the Class Members have suffered economic injuries. Defendants have profited from  
11 its unlawful, unfair, and/or fraudulent acts and practices.

12 103. Plaintiff and similarly situated Class Members are entitled to monetary relief  
13 pursuant to Business & Professions Code §§ 17203 and 17208 for all unpaid wages, unpaid meal  
14 and rest period premiums, due and interest thereon, from at least four years prior to the filing of  
15 this complaint through to the date of such restitution, at rates specified by law. Defendants should  
16 be required to disgorge all the profits and gains it has reaped and restore such profits and gains to  
17 Plaintiff and Class Members, from whom they were unlawfully taken.

18 104. Through its actions alleged herein, Defendants have engaged in unfair competition  
19 within the meaning of section 17200 of the California Business & Professions Code, because  
20 Defendants' conduct, as herein alleged has damaged Plaintiff and the Class Members by  
21 wrongfully denying them wages due for all hours worked, wrongfully denying them overtime  
22 wages, and wrongfully denying them reimbursement for business expenses, and therefore was  
23 substantially injurious to Plaintiff and the Class Members.

24 105. Defendants engaged in unfair competition in violation of sections 17200 et seq. of  
25 the California Business & Professions Code by violating Sections §§201, 202, 203, 204, 210, 226,  
26 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 as well as IWC Wage Order  
27 No. 7-2001.

106. Defendants' course of conduct, act and practice in violation of the California laws mentioned above constitute independent violations of sections 17200 et seq. of the California Business and Professions Code.

107. Plaintiff and similarly situated Class Members are entitled to enforce all applicable penalty provisions of the Labor Code pursuant to Business & Professions Code § 17202.

108. Plaintiff has assumed the responsibility of enforcement of the laws and public policies specified herein by suing on behalf of themselves and other similarly situated Class Members previously or presently employed by Defendants in California. Plaintiff's success in this action will enforce important rights affecting the public interest. Plaintiff will incur a financial burden in pursuing this action in the public interest. Therefore, an award of reasonable attorneys' fees to Plaintiff is appropriate pursuant to Code of Civil Procedure §1021.5, and Labor Code § 1194.

**EIGHTH CAUSE OF ACTION**  
**PLAINTIFF AND ALL AGGRIEVED EMPLOYEES AGAINST ALL DEFENDANTS FOR PENALTIES PURSUANT TO LABOR CODE § 2699, ET SEQ. FOR VIOLATIONS OF LABOR CODE §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1198,<sup>1</sup> 2802 as well as IWC Wage Order No. 7-2001**

109. Plaintiff, on behalf of herself and all aggrieved employees, re-alleges and incorporates by reference all previous paragraphs.

110. Based on the above allegations incorporated by reference, Defendants have violated Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, 2802 as well as IWC Wage Order No. 7-2001.

111. Under Labor Code §§ 2699(f)(2) and 2699.5, for each such violation, Plaintiff and all other aggrieved employees are entitled to penalties in an amount to be shown at the time of trial subject to the following formula:

\$100 for the initial violation per employee per pay period; and

\$200 for each subsequent violation per employee per pay period.

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<sup>1</sup> All alleged violations of IWC Wage Order 4-2001 are also deemed to be alleged violations of Labor Code § § 1197 and 1198.

1           These penalties shall be allocated seventy-five percent (75%) to the Labor and Workforce  
2 Development Agency (LWDA) and twenty-five percent (25%) to the affected employees. These  
3 penalties may be stacked separately for each of Defendants violations of the California Labor  
4 Code. *See e.g. Hernandez v. Towne Park, Ltd.*, No. CV 12-02972 MMM (JCGx) 2012 U.S. Dist.  
5 LEXIS 86975, at \*59, fn. 77 (C.D. Cal. June 22, 2012) (holding that although the plaintiff did not  
6 seek stacked PAGA penalties, that “PAGA penalties can be ‘stacked,’ *i.e.*, multiple PAGA  
7 penalties can be assessed for the same pay period for different Labor Code violations.”); *See Lopez*  
8 *v. Friant & Assocs., LLC*, No. A148849, 2017 Cal. App. LEXIS 839, at \*1 (Ct. App. Sep. 26,  
9 2017) (“hold[ing] a plaintiff seeking civil penalties under PAGA for a violation of Labor Code  
10 section 226(a) does not have to satisfy the ‘injury’ and ‘knowing and intentional’ requirements of  
11 section 226(e)(1) and acknowledging that a Plaintiff could recover separately under PAGA for  
12 violations of Labor Code §§ 226(a) and 226(e)); *accord Schiller v. David's Bridal, Inc.*, No. 1:10-  
13 cv-00616 AWI SKO) 2010 U.S. Dist. LEXIS 81128, at \*17 (E.D. Cal. July 14, 2010); *Pulera v. F*  
14 *& B, Inc.*, No. 2:08-cv-00275-MCE-DAD, 2008 U.S. Dist. LEXIS 72659, 2008 WL 3863489, at \*  
15 2-3 (E.D. Cal. Aug. 19, 2008); *Smith v. Brinker Intern, Inc.*, No. C 10-0213 VRW, 2010 U.S. Dist.  
16 LEXIS 54110, 2010 WL 1838726, at \* 2-6 (N.D. Cal. May 5, 2010).

17           112. In addition, to the extent permitted by law, Defendants have failed to provide  
18 Plaintiff and all aggrieved employees with accurate itemized wage statements in compliance with  
19 Labor Code § 226(a). Plaintiff seeks separate PAGA penalties for Defendants’ violations of Labor  
20 Code §§ 226(a) and 226(e). *Lopez v. Friant & Assocs., LLC*, 15 Cal.App.5th 773, 788 (2017); *Bell*  
21 *v. Home Depot U.S.A.* (E.D. Cal. Dec. 11, 2017) No. 2:12-cv-02499 JAM-CKD, 2017 U.S. Dist.  
22 LEXIS 204493, at \*5 [finding after Friant that “[t]o the extent the Court's Order [granting  
23 summary judgment to Home Depot] was ambiguous, the Court now clarifies that it granted  
24 summary judgment on Plaintiff’s derivative claim for [PAGA] penalties under section 226(e)...the  
25 Court's Order should not be read to grant summary judgment on Plaintiff’s claim for PAGA  
26 penalties based on violation of section 226(a).”]). For violations of Labor Code § 226(a), Plaintiff  
27 seeks the default penalty provided by Labor Code § 226.3. Labor Code § 226.3 provides that  
28

1 “[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in  
2 the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation  
3 and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for  
4 which the employer fails to provide the employee a wage deduction statement or fails to keep the  
5 required in subdivision (a) of Section 226.” Accordingly, through PAGA and to the extent  
6 permitted by law Plaintiff and the aggrieved employees are entitled to recover penalties for  
7 violations of Labor Code § 226.3 and seek default PAGA penalties for each of Defendants’  
8 numerous violations of Labor Code § 226(e).

9 113. Pursuant to Labor Code § 2699.3 (a), on April 10, 2022, Plaintiff gave written  
10 notice by certified mail to Defendant, and to the LWDA of their claims for violations of Labor  
11 Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, 2802 as  
12 well as IWC Wage Order No. 7-2001, and theories supporting these claims as alleged herein. As  
13 of the date of this Complaint, the LWDA has not responded to Plaintiff’s PAGA letter.  
14 Accordingly, Plaintiff has fulfilled all administrative prerequisites to the filing and pursuit of his  
15 PAGA claims for herself and all other current and former Aggrieved Employees of Defendants.

16 114. As a result of the acts alleged above, Plaintiff seeks penalties under Labor Code  
17 Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1198,  
18 2802 as well as IWC Wage Order No. 7-2001.

#### 19 **JURY DEMAND**

20 115. Plaintiff hereby demands trial by jury of her and the Class’s claims against  
21 Defendants.

#### 23 **PRAYER FOR RELIEF**

24 Wherefore, Plaintiff, on behalf of herself and the members of the Class, pray for judgment  
25 against Defendants as follows:

- 26 1. An Order that this action may proceed and be maintained as a class action;  
27  
28

2. On the First Cause of Action:

a. A declaratory judgment that Defendants violated sections 1194, 1194.2, and 1198 of the California Labor Code by failing to pay Plaintiff and other members of the Class hourly and separately for all of their time spent working during the class period;

b. An award to Plaintiff and other members of the Class in the amount of their unpaid wages owed to them for all of their time spent working, plus interest and/or liquidated damages during the class period;

c. An award to Plaintiff and the other members of the Class in the amount of their unpaid wages owed to them for all of their time spent working during the class period, plus interest; and/or liquidated damages;

d. An award to Plaintiff and the Class Members of their attorneys' fees and costs of suit to the extent permitted by law, including, but not limited to, section 1194 of the California Labor Code and section 1021.5 of the California Code of Civil Procedure;

3. On the Second Cause of Action:

a. A declaratory judgment that Defendants violated California Labor Code §§ 226.7 and 512, and Section 11 of IWC Wage Order No. 7-2001;

b. Pursuant to Cal. Labor Code § 226.7, an award to Plaintiff and the Class Members for an hour of pay for each day that an off-duty meal period was not provided during the Class Period;

4. On the Third Cause of Action

a. A declaratory judgment that Defendants violated California Labor Code §204 by paying Plaintiff, and the Class more than seven days after the close of payroll.

b. For compensatory damages, including lost wages, bonuses, and other losses, according to proof,

c. For general damages, according to proof;

d. For an award of interest, including prejudgment interest at the legal rate;

e. For statutory damages, including reasonable attorneys' fees and costs of

1 suit.

2 5. On the Fourth Cause of Action:

3 a. A declaratory judgment that Defendants violated California Labor Code  
4 §226 by issuing inaccurate and/or incomplete wage statements that failed to include total hours  
5 worked and all applicable hourly rates in effect during the pay period and the corresponding  
6 number of hours worked at each hourly rate to Plaintiff and the wage statement and penalty  
7 subclass members;

8 b. An award to Plaintiff and Class Members of \$50 for each initial pay period,  
9 one year prior to the filing of this Complaint through the date of trial, in which a violation of  
10 Section 226 occurred and \$100 for each subsequent pay period, one year prior to the filing of this  
11 Complaint through the date of trial, in which a violation of Section 226 occurred, not to exceed  
12 \$4,000 for each member of the Class, as well as an award of costs and reasonable attorney's fees,  
13 pursuant to Labor Code § 226(e).

14 6. On the Fifth Cause of Action:

15 a. A declaratory judgment that Defendants violated sections 510, 1194, 1194.2  
16 of the California Labor Code by failing to pay Plaintiff and other members of the Overtime Class  
17 for all compensation for all hours worked in excess of eight hours in a day or forty hours in a  
18 workweek at the proper overtime rate;

19 b. An award to Plaintiff and the other members of the Overtime Class in the  
20 amount of their unpaid overtime compensation owed to them plus interest; and/or liquidated  
21 damages;

22 c. An award to Plaintiff and the Overtime Class Members of their attorneys'  
23 fees and costs of suit to the extent permitted by law, including, but not limited to, section 1194 of  
24 the California Labor Code and section 1021.5 of the California Code of Civil Procedure;

25 7. On the Sixth Cause of Action:

26 a. A declaratory judgment that Defendants violated California Labor Code §  
27 2802;

1                   b. Pursuant to 2802 (a)-(c), reimbursement for all the unreimbursed business  
2 related expenses including online class expenses incurred by Plaintiff and the Class, plus interest  
3 and attorney's fees.

4           7.     On the Seventh Cause of Action:

5                   a. That the Court find and declare that Defendants have violated the UCL and  
6 committed unfair and unlawful business practices by failing to pay Plaintiff and Class Members on  
7 a separate and hourly basis for all wages and overtime wages owed and by failing to reimburse  
8 business expenses;

9                   b. Restitution, including, but not limited to, the relief permitted by sections  
10 1194, 221, 223, 226.7, and 2802 of the California Labor Code (i.e., pay as specified for all hours  
11 worked, overtime, and reimbursement for business expenses of Plaintiff and the members of the  
12 Class during the Class Period), as well as a disgorgement of all profits associated with Defendants'  
13 unlawful policies as described above;

14           8.     On the Eighth Cause of Action

15                   a. For penalties and other relief allowable under Labor Code § 2699, et seq. for  
16 Plaintiff and all aggrieved employees because of Defendants' violation of Labor Code Labor Code  
17 §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1194, 1194.2, 1197, 1198, 2802 as well as  
18 IWC Wage Order No. 7-2001;

19                   b. A civil penalty against Defendants in the amount of \$100 for the initial  
20 violation and \$200 for each subsequent violation as specified in section 2699(f)(2) of the  
21 California Labor Code for Plaintiff and all aggrieved employees for each and every pay period  
22 during that occurred between April 10, 2021 and the date of judgment and/or approval of  
23 settlement;

24                   c. A civil penalty against Defendants, pursuant to Labor Code § 1197.1 for the  
25 initial violation that is intentionally committed, in the amount of one hundred dollars (\$100) for  
26 each underpaid employee for each pay period for which the employee is underpaid and for each  
27 subsequent violation, two hundred fifty dollars (\$200) for each underpaid employee for each pay  
28

1 period for which the employee is underpaid regardless of whether the initial violation was  
2 intentionally committed, for Plaintiff and all aggrieved employees for each and every payperiod  
3 during that occurred between April 10, 2021 and the date of judgment and/or approval of  
4 settlement;

5 d. A civil penalty against Defendants pursuant to Labor Code § 210 for the  
6 initial violation that is committed, in the amount of one hundred dollars (\$100) for each underpaid  
7 employee for each pay period for which the employee is underpaid and for each subsequent  
8 violation, two hundred dollars (\$250) for each underpaid employee for each pay period for which  
9 the employee is underpaid, for Plaintiff and all aggrieved employees for each and every payperiod  
10 during that occurred between April 10, 2021 and the date of judgment and/or approval of  
11 settlement.

12 e. A civil penalty against Defendants pursuant to Labor Code § 226.3 for the  
13 initial violation that is committed, in the amount of two hundred fifty dollars (\$250) for the initial  
14 each inaccurate wage statement provided to Plaintiff and the Aggrieved Employees and for each  
15 subsequent violation, one thousand dollars (\$1000) for each underpaid employee for each pay  
16 period for which the employee is provided an incomplete or inaccurate wage statement, for  
17 Plaintiff and all aggrieved employees for each and every pay period during that occurred between  
18 April 10, 2021 and the date of judgment and/or approval of settlement;

19 f. An award of reasonable attorney's fees against Defendants as specified in  
20 Labor Code § 2699(g)(1), for all the work performed by the undersigned counsel in connection  
21 with the PAGA claims; and,

22 g. An award of all costs incurred by the undersigned counsel for Plaintiff in  
23 connection with Plaintiff's and the aggrieved employees' claims against Defendants as provided  
24 for in Labor Code § 2699(g)(1).

25 9. All other relief as this Court deems proper.  
26  
27  
28

1 Dated: June 21, 2022

Respectfully,

2 POTTER HANDY LLP.

3  
4 *James Treglio*

5 By: James M. Treglio  
6 Counsel for Plaintiff and the Putative Class  
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**PROOF OF SERVICE**

Macopson v. Pacific Bell Telephone Company  
Case No.: 22STCV13800

I, the undersigned, am over the age of eighteen years and am resident of San Diego County, California; I am not a party to the above-entitled action; my business address is 100 Pine St., Ste 1250, San Francisco, CA 94111.

On June 21, 2022, I served the following document(s):

**1. First Amended Complaint**

Addressed to:

**BakerHostetler**

Sylvia J. Kim, Esq.  
Transamerica Pyramid Center  
600 Montgomery Street | Suite 3100  
San Francisco, CA 94111-2806  
[sjkim@bakerlaw.com](mailto:sjkim@bakerlaw.com)

Matthew Kane, Esq.  
Amy Beverlin, Esq.  
Kerri Sakaue, Esq.  
11601 Wilshire Blvd. | Suite 1400  
Los Angeles, CA 90025-0509  
[mkane@bakerlaw.com](mailto:mkane@bakerlaw.com)  
[abeverlin@bakerlaw.com](mailto:abeverlin@bakerlaw.com)  
[ksakaue@bakerlaw.com](mailto:ksakaue@bakerlaw.com)

- ☐ **BY USPS MAIL:** I caused such envelope with postage thereon fully prepaid to be placed in the United States mail at San Diego, California.
- ☐ **BY FACSIMILE:** In addition to the service by mail as set forth above, I forwarded a copy of said documents via facsimile to the listed facsimile number.
- ☐ **BY OVERNITE EXPRESS:** I caused such envelope with postage thereon fully prepaid to be placed in the Designated Overnight Express drop box at San Diego, California.
- ☐ **BY PERSONAL SERVICE:** I caused said documents to be personally served on all listed recipients via Ace Attorney Services.
- ☒ **BY ELECTRONIC MAIL TRANSMISSION:** I caused the listed documents to be electronically filed and subsequently emailed to the recipient(s).

Executed on June 21, 2022 from San Diego, California.

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

/s/ James M. Treglio

James M. Treglio

## Exhibit 3



# POTTER HANDY, LLP

A Law Firm

100 Pine St., Ste 1250  
San Francisco, CA 94111

Rene Potter, Attorney  
[ReneP@PotterHandy.com](mailto:ReneP@PotterHandy.com)  
Jim Treglio  
[JimT@PotterHandy.com](mailto:JimT@PotterHandy.com)  
Phone: (858) 375-7385  
Fax: (888) 422-5191

October 29, 2023

**CASE NUMBER LWDA-CM-877969-22**

**Filed Via LWDA's PAGA Claim Notice Online Form**

**Copy Sent Via Certified Mail to:**

Human Resources  
AT&T Services, Inc.  
Pacific Bell Telephone Company  
430 Bush, St.  
San Francisco, CA 94108

AT&T Services, Inc.  
Pacific Bell Telephone Company  
430 Bush, St.  
San Francisco, CA 94108

C T Corporation System  
Resident Agent for Service for  
AT&T Services, Inc.  
Pacific Bell Telephone Company  
330 N Brand Blvd Ste 700  
Glendale, CA 91203

Re: Joy Macopson v. Pacific Bell Telephone Company, AT&T Services, Inc.  
California Labor Code § 2699 Penalties; Amended Notice of Intent to File Suit

Dear Counsel:

This office represents Plaintiff Joy Macopson ("Plaintiff") and a proposed group of current and former employees working for Pacific Bell Telephone Company and AT&T Services, Inc. ("Defendants") in the State of California for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 233-234, 245-249, 256, 510, 512,

1174, 1194, 1194.2, 1197, 1197.1, 1198,<sup>1</sup> 2802 as well as the applicable IWC Wage Order. Plaintiff wishes to bring a representative action on behalf of herself and the State of California as well as on behalf of the following groups of aggrieved employees:

- (1) All individuals who are or were employed by Defendant Pacific Bell Telephone Company or its predecessor or merged entities in California in an hourly, non-exempt position;*
- (2) All individuals who are or were employed by Defendant AT&T Services, Inc., or its predecessor or merged entities in California as hourly, non-exempt employees within a technician position.*

Collectively, these groups are hereinafter referred to as the “Aggrieved Employees” or “aggrieved employees.”

#### Factual Background & Theories of Labor Code Violations

Plaintiff and the aggrieved employees are and were employed by Defendants, a telecommunications company that provides telephone service in California. Defendants hired Plaintiff as a customer service representative in April 1998, assigned to their office in Van Nuys, California. Defendants paid Plaintiff \$38 per hour. Plaintiff suffered the violations listed in this letter while employed by Defendants, and timely filed her original PAGA notice on April 10, 2022. This Amended PAGA Notice incorporates by reference, and relates back to, the initial PAGA notice. Plaintiff reserves her right to assert any other related claims and theories discovered after the sending of this notice.

- i. Plaintiff and the Aggrieved Employees Were Not Compensated for All Hours Worked—And Thus Were Not Paid The Required Minimum Wage And/Or Overtime.

Labor Code § 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. Labor Code § 1194 entitles “any employee receiving less than the legal minimum wage...to recover in a civil action the unpaid balance of the full amount of this minimum wage.” IWC Wage Order 7-2001 § 4 also obligates employers to pay each

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<sup>1</sup> All alleged violations of IWC Wage Orders are also deemed to be alleged violations of Labor Code §§ 1197 and 1198.

employee minimum wages for all hours worked.

Plaintiff is informed and believes, and based thereon alleges, that Defendants had and have a policy or practice of failing to compensate Plaintiff and other aggrieved employees with minimum wages for all hours worked or otherwise under Pacific Bell's control as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including but not limited to the time it took employees to turn on their computers before clocking in and to shut them down after clocking out; performing work activities outside their regularly scheduled shift; performing work activities while travelling to and from work; requiring employees work-through meal periods without pay; controlling employees during their meal periods without paying them for time worked; and utilizing a time entry system did not permit employees to modify their start and end times.

Plaintiff is informed and believes, and based thereon alleges, that Defendants had and have a policy or practice of requiring Plaintiff and other aggrieved employees to work more than eight (8) hours per day, forty (40) hours per week, and/or seven (7) straight workdays in a workweek without paying them proper overtime wages, as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including but not limited to the time it took employees to turn on their computers before clocking in and to shut them down after clocking out; performing work activities outside their regularly scheduled shift; performing work activities while travelling to and from work; requiring employees work-through meal periods without pay; controlling employees during their meal periods without paying them for time worked; utilizing a time entry system did not permit employees to modify their start and end times; and failing to include all remuneration for employment—including, but not limited to, non-cash benefits and other incentive compensation—in calculating the regular rate of pay for overtime, meal/rest period premium, and sick leave purposes.

In 2018, the California Supreme Court held in *Troester v. Starbucks, Inc.* (2018) 5 Cal.5th 829, that an employee must be compensated for any time in which they are under the control of their employer, and performing work, even if that amount of time is limited to a few minutes per day. Thus, by not compensating Plaintiff and the aggrieved employees for all the time spent working—regardless of the amount—Defendants have violated the Labor Code and the Wage Order.

Similarly, Labor Code § 1194.2 authorizes employees to recover wages to recover

liquidated damages for violations of Labor Code § 1194. Where an employee, as Plaintiff and the aggrieved employees are not paid for all hours worked under Labor Code § 1194, the employee may recover minimum wages for the time associated with the overtime for which they received no compensation. (See *Sillah v. Command Int'l Sec. Servs.* (N.D. Cal. 2015) 154 F. Supp. 3d 891 [holding that employees suing for failure to pay overtime could recover liquidated damages under § 1194.2 if they also showed they were paid less than minimum wage]; accord *Andrade v. Arby's Rest. Grp., Inc.* (N.D. Cal. Dec. 12, 2016) No. 15-cv-03175 NC, 2016 U.S. Dist. LEXIS 172319, at \*20-21.) Since Defendant failed to provide Plaintiff and all aggrieved employees with compensation for all hours worked, including overtime hours, each are entitled to recover liquidated damages under Labor Code § 1194.2 through PAGA. Based upon these same factual allegations, Plaintiff also seeks penalties on behalf of all aggrieved employees under Labor Code § 1199.

Finally, Plaintiff and the aggrieved employees were not compensated for all time worked at the appropriate rate of pay in violation of Labor Code §§ 510, 1197, and 1198. As of today's date, Plaintiff and other aggrieved employees have not been paid the unpaid balance of their time worked. Additionally, to their knowledge Defendants have not paid a civil penalty for its nonperformance in violation of Labor Code §§ 1194 and 1197.1.

ii. Plaintiff and the Aggrieved Employees Are Not and Were Not Provided with Meal Periods of Thirty Minutes of Interrupted Off-Duty Time.

Labor Code § 512 requires employers to provide employees with thirty (30) minute uninterrupted and duty-free meal period within the first five hours of work. “An on-duty meal period is permitted only when the nature of the work prevents an employee from being relieved of all duty and the parties agree in writing to an on-duty paid meal break.” (*Lubin v. The Wackenhut Corp.* (2016) 5 Cal. App. 5th 926, 932.) The written agreement must include a provision allowing the employee to revoke it at any time. *Id.*

Generally, the DLSE and courts have “found that the nature of the work exception applies: ‘(1) where the work has some particular external force that requires the employee to be on duty at all times, and (2) where the employee is the sole employee of a particular employer.’” (*Id.* at p. 945; *Abdullah v. U.S. Security Associates, Inc.* (9th Cir. 2013) 731 F.3d 952, 958-959.) “[I]t is the employer’s obligation to determine whether the nature of the work prevents an employee from being relieved *before* requiring an employee to take an on-duty meal period.” (*Lubin, supra*, 5 Cal. App. 5th at p. 946.) Nor may an employer “discharge its duty by arguing that its clients who requested on-duty meal periods determined that the

nature of the work prevented officers from being relieved of all duty.” (*Id.* at p. 947; *Benton, supra*, 220 Cal. App. 4th at p. 729.)

As with rest periods, under Labor Code § 512, if an employer maintains a uniform policy that does not authorize and permit the amount of meal time called for under the law (as specified in the applicable Wage Order), “it has violated the wage order and is liable.” The *Brinker* Court explained in the context of rest breaks that employer liability attaches from adopting an unlawful policy:

An employer is required to authorize and permit the amount of rest break time called for under the wage order for its industry. If it does not—if, for example, it adopts a uniform policy authorizing and permitting only one rest break for employees working a seven-hour shift when two are required—***it has violated the wage order and is liable.***

*Brinker Rest. Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1033. (Emphasis added.)

Plaintiff is informed and believes, and based thereon alleges, that Defendants had and have a policy or practice of compelling Plaintiff and other aggrieved employees to work in excess of five (5) and ten (10) hours per day without being afforded uninterrupted, timely, and complete 30-minute meal periods or compensation in lieu thereof including, without limitation, by: establishing efficiency standards that make it impossible, and/or punish employees for, taking meal periods; requiring they turn on their computers before clocking in and to shut them down after clocking out, thereby forcing them to work off-the-clock; performing work activities outside their regularly scheduled shift; performing work activities while travelling to and from work; pressuring employees to forgo opportunities to take off-duty meal periods; interrupting meal periods; not providing timely meal periods; failing to provide first and second meal periods; providing short meal periods; exerting control over employees’ activities while they are on their meal periods; requiring that employees carry cellular telephones or walkie-talkies during meal periods; not permitting employees to leave the premises; otherwise requiring on-duty/on-call meal periods; auto-deducting meal periods that could not be auto-deducted by law or during which employees worked; and failing to provide premium wages equivalent to an hour of an employee’s regular rate of pay for noncompliant meal periods.

By failing to provide lawful meal periods or compensation in lieu thereof, Defendants willfully violated Labor Code §§ 226.7 and 512.

iii. Plaintiff and the Aggrieved Employees Are Not and Were Not Provided with Rest Periods of Ten Minutes of Interrupted Off-Duty Time.

According to the Industrial Welfare Commission, an employer must authorize and permit all employees to take rest periods in the middle of each work period. Labor Code § 226.7 requires an employer to pay an employee one (1) additional hour of pay at the employee's regular rate of compensation for each work day that a lawful rest period was not provided.

Plaintiff is informed and believes, and based thereon alleges, that Defendants had and have a policy or practice of compelling Plaintiff and other aggrieved employees to work over four-hour periods (or major fractions thereof) without authorizing and permitting the PAGA Plaintiffs and other aggrieved employees to take uninterrupted, timely, and complete ten-minute rest periods in which the employees are completely relieved of all of their duties, including, without limitation by: setting efficiency standards, which are unrealistic and do not permit nor account for rest periods; punishing employees for not meeting those standards, thereby pressuring them to forgo rest periods; requiring they turn on their computers before clocking in and to shut them down after clocking out, thereby forcing them to work off-the-clock; performing work activities outside their regularly scheduled shift; performing work activities while travelling to and from work; failing to provide rest periods all together; requiring that they be bundled together and/or with meal periods; interrupting them; requiring that employees carry cellular telephones or walkie-talkies during rest periods not providing them in a timely fashion; not permitting employees to leave the premises; failing to provide cool-down rest periods as required under California Code of Regulations, Title 8, Section 3395; failing to provide premium wages equivalent to an hour of an employee's regular rate of pay for missed rest periods; and otherwise requiring on-duty/on-call rest periods. The PAGA Plaintiffs also allege Pacific Bell did not provide compensation to the PAGA Plaintiffs and other aggrieved employees for noncompliant rest periods. By failing to provide lawful rest periods or compensation in lieu thereof, Pacific Bell willfully violated Labor Code § 226.7.

iv. Defendants Violated and Continue to Violate Paid Sick Leave Laws.

Plaintiff is informed and believes, and based thereon alleges, that Defendants has or had a policy or practice of failing to provide Plaintiff and other aggrieved employees with the amount of paid sick leave required to be provided pursuant to California and local laws

(including, without limitation, Labor Code §§ 233–234, 245–249). Plaintiff is further informed and believes, and based thereon alleges, that Defendants has or had a policy or practice—including, but not limited to, its kin care and regular, reliable attendance policies—that effectively punishes and/or disciplines Plaintiff and other aggrieved employees who to take protected sick leave for the reasons enunciated within California and local laws (including, without limitation, Labor Code §§ 233–234, 245–249). Plaintiff is further informed and believes, and based thereon alleges, that Defendants did not provide Plaintiff and other aggrieved employees sick pay at the proper regular rate of pay as required under California law due to failure to properly calculate the regular rate, as noted above. As such, Defendants are liable for all civil penalties available under the Labor Code for such violations; including, but not limited to, Labor Code §§ 233–234, 245–249, 558, and 2698, *et seq.*

v. Defendants Violated and Continue to Violate Labor Code § 204.

Labor Code § 204 expressly requires that “[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays.” Pursuant to Labor Code § 204(d), these requirements are “deemed satisfied by the payment of wages for weekly, biweekly or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.”

Due to Defendants’ failure to pay Plaintiff and the aggrieved employees for all hours worked and overtime, as noted above, Defendants failed to timely pay the aggrieved employees within seven (7) days of the close of the payroll period in accordance with Labor Code § 204 on a regular and consistent basis. *See Parson v. Golden State FC, LLC*, 2016 U.S. Dist. LEXIS 58299, 2016 WL 1734010, at \*3-5 (N.D. Cal. May 2, 2016) (finding after *Ling* that a failure to pay rest period premiums can support claims under Labor Code §§ 203 and 204).

vi. Defendants Violated and Continue to Violate Labor Code §§ 201-203.

As a result of Defendants’ failure to pay wages to Plaintiff and the aggrieved employees for overtime and all hours worked, Defendants violated Labor Code § 203. Labor Code § 203 provides “if an employer willfully fails to pay . . . any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty. . .” for up to 30 days. Lab. Code § 203; *Mamika v. Barca*, (1998) 68 Cal.App.4th

487,492.

Due to Defendants' faulty policies described above, all aggrieved employees whose employment with Defendants concluded were not compensated at the appropriate rate. Additionally, Defendants have failed to pay all aggrieved employees for all hours worked and overtime, whose sums were certain, at the time of termination or within seventy-two (72) hours of their resignation and have failed to pay those sums for thirty (30) days thereafter.

vii. Defendants Violated and Continue to Violate of Labor Code §§ 226(a) and 226.3.

Defendants failed to provide Plaintiff and the aggrieved employees accurate itemized wage statements in accordance with Labor Code § 226(a). Labor Code § 226 obligates employers, semi-monthly or at the time of each payment to furnish an itemized wage statement in writing showing:

- (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;
- (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item;
- (5) net wages earned;
- (6) the inclusive dates of the period for which the employee is paid;
- (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number;
- (8) the name and address of the legal entity that is the employer...;
- (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...

Due to Defendants' various violations noted above, Defendants failed to provide Plaintiff and the aggrieved employees itemized wage statements that accurately reflect: gross wages earned; total hours worked by the employee; net wages earned; all deductions; all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; all paid sick leave available; and other such information as required by Labor Code section 226, subdivision (a) and/or Labor Code

section 246, subdivision (i).

Labor Code § 226.3 provides that “[a]ny employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial violation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the required in subdivision (a) of Section 226.” As explained in detail above, Defendants failed to provide Plaintiff and the other aggrieved employees with accurate itemized wage statements. Accordingly, Plaintiff and the other aggrieved employees may also recover Labor Code § 226.3 penalties for Defendant’s violations of Labor Code § 226(a). *See Finder v. Leprino Foods Co.* (E.D. Cal. Mar. 12, 2015) No. 1:13-CV-2059 AWI-BAM, 2015 WL 1137151, at \*7 [“the weight of authority counsels that violations of Section 226.3 may be the basis of a PAGA claim.”]; *Pedroza v. PetSmart, Inc.*, No. ED CV 11-298 GHK DTB, 2012 WL 9506073, at \*6 (C.D. Cal. June 14, 2012) (“Lab. Code § 226.3 merely provides that failure to perform actions mandated by § 226(a) may trigger civil penalties.”).<sup>2</sup>

viii. Defendants Violated and Continue to Violate Labor Code §§ 2800, 2802.

Pursuant to Labor Code § 2800, an employer shall indemnify employee losses caused by the employer’s want of ordinary care. Accordingly, Labor Code § 2802 provides that an employer shall indemnify his/her employee for all necessary expenditures or losses incurred by the employees as a result of employment. Further, an employer shall not collect or receive from an employee any part of wages theretofore paid by employer to employee. The duty to reimburse even extends to the use of equipment the employee may already own, and would be required to pay for anyway. *Cochran v. Schwan’s Home Serv., Inc.* (2014) 228 Cal. App. 4th 1137, 1144 (“The threshold question in this case is this: Does an employer always have to reimburse an employee for the reasonable expense of the mandatory use of a personal cell phone, or is the reimbursement obligation limited to the situation in which the employee incurred an extra expense that he or she would not have otherwise incurred absent the job? The answer is that reimbursement is always required. Otherwise, the employer would receive a windfall because it would be passing its operating

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<sup>2</sup> *Accord Singer v. Becton, Dickinson & Co., Med-Safe Sys.* (S.D.Cal. July 23, 2008) 2008 U.S. Dist. LEXIS 56326, \*18; *Yadira v. Fernandez* (N.D. Cal. June 14, 2011) 2011 U.S. Dist. LEXIS 62894, \*7-9, 2011 WL 2434043; *Willis v. Xerox Bus. Servs., LLC* (E.D. Cal. Nov. 15, 2013) No. 1:13-CV-01353-LJO, 2013 WL 6053831, at \*7.

expenses on to the employee.”) After all, the purpose of 2802 is to “prevent employers from passing along their operating expenses onto their employees.” *Gattuso v. Harte-Hanks Shoppers, Inc.*, (2007) 42 Cal. 4th 554, 562.

Plaintiff is informed and believes, and based thereon alleges that Defendants also failed and refused, and continues to fail and refuse, to reimburse employees, including, without limitation, Plaintiff and other aggrieved employees, with their costs incurred for driving personal vehicles (i.e., mileage and gas); purchasing uniforms; setting up and providing everything for their home office, including but not limited to high-speed Internet service, desk, chair, and other home office supplies; providing uniform and other deposits; separately laundering mandatory uniforms, for the purchase of tools and safety equipment; and for the purchase and maintenance of cellular phones and cellular phone plans, in direct consequence of the discharge of their duties, or of their obedience to the directions of Employer, as required by Labor Code section 2802, and other statutory and common law offenses. Plaintiff asserts that Defendants knew and had reason to know that employees were paying for work related activities without reimbursement in violation of Labor Code §§ 2800 and 2802.

viii. Defendants Violated and Continue to Violate Labor Code § 1174.

Labor Code § 1174(d) states “[e]very person employing labor in this state shall keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece-rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by commission, but in case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.” Defendants have a policy and/or practice of intentionally and willfully failing to maintain accurate payroll records properly showing all the statutorily required information for Plaintiff and other aggrieved employees due to the various Labor Code violations noted above. As a result, Pacific Bell has violated Labor Code § 1174.

ix. Defendants’ Other Labor Code Violations.

Finally, as California’s Supreme Court has noted, “the Legislature,” in enacting PAGA, “conferred fairly broad standing on all plaintiffs who were employed by the violator

and subjected to at least one alleged violation.” *Kim v. Reins Int’l Cal., Inc.*, 9 Cal. 5th 73, 91 (2020). Moreover, even the fact that a particular PAGA Plaintiff’s “individual claim may be time-barred does not nullify the alleged Labor Code violations nor strip [them] of [their] standing to pursue PAGA remedies.” *Johnson v. Maxim Healthcare Servs., Inc.*, 66 Cal. App. 5th 924, 930 (2021). Plaintiff thus, as an aggrieved employee, has standing and intends, on behalf of the LWDA, to pursue civil penalties against Defendants for any and all other Labor Code violations committed by Defendants—including, but not limited, those the Plaintiff did not suffer directly, and those the Plaintiff suffered outside of the applicable statute of limitations.

x. Attorneys’ Fees, Costs, Interest, Liquidated Damages, And Penalties.

Labor Code sections 210, 218.5, 218.6, 225.5, 226(e), 248.5, 558, 1194, 1194.2, 1197.1, and 2699, *et seq.*, among others, give employees the right to recover in a civil action the unpaid balance of the full amount of minimum wages, regular wages, overtime compensation, damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorney’s fees and costs. Pursuant to Labor Code section 2699, *et seq.*, an aggrieved employee is entitled to 25% of the penalty assessment, which is \$100 for the first violation and \$200 for each subsequent violation, and 100% of the underpaid wages. Accordingly, Defendants are liable for these items in addition to the unpaid wages. Plaintiff has already incurred actual damages, costs and attorney’s fees and will continue to incur costs as a result of Defendants’ unlawful actions. Plaintiff will pursue all available remedies, including those provided by PAGA, for these violations on behalf of herself and other aggrieved employees.

**CONCLUSION**

Therefore, pursuant to Labor Code § 2699.3, we write to inform you and the Labor and Workforce Development Agency, with whom this PAGA Notice has been filed, of our intent to pursue a PAGA representative action and a Class Action against Defendants seeking PAGA penalties under Labor Code § 2699 to be brought by Plaintiff, individually and on behalf of the aggrieved employees, as defined above.

Respectfully submitted,

*Jim Treglio*

Jim Treglio

POTTER HANDY, LLP

## Exhibit 4

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**From:** DIR PAGA Unit <lwdadonotreply@dir.ca.gov>  
**Sent:** Monday, October 30, 2023 12:47 AM  
**To:** Waiza Ayesha  
**Subject:** [EXTERNAL] Thank you for your Proposed Settlement Submission

[CAUTION EXTERNAL EMAIL: Keep PH safe. Think before you click!]

10/30/2023 12:46:54 AM

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

Item submitted: Proposed Settlement

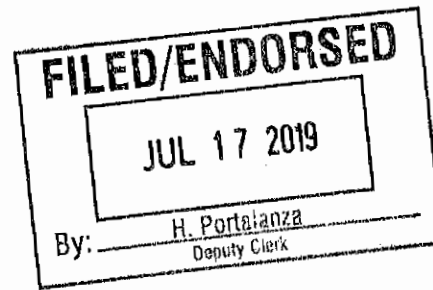
If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [https://urldefense.proofpoint.com/v2/url?u=http-3A\\_\\_labor.ca.gov\\_Private-5FAttorneys-5FGeneral-5FAct.htm&d=DwIFaQ&c=euGZstcaTDllvimEN8b7jXrwqOf-v5A\\_Cdp gnVfiiMM&r=XjoxFjv\\_X6kJtqXjetKnZVwiP5oJ5TLiuFSrAHfY6YI&m=ts8Wgd-bTpkqTloO2MxE9nX3APIUGej2JEK6dnTp7v0Pi5nCf8UvC7f3HmBDHojH&s=0nIUxahbihYUr4eS6v0GYeb3l3NnID8CixZexDI-lGo&e=](https://urldefense.proofpoint.com/v2/url?u=http-3A__labor.ca.gov_Private-5FAttorneys-5FGeneral-5FAct.htm&d=DwIFaQ&c=euGZstcaTDllvimEN8b7jXrwqOf-v5A_Cdp gnVfiiMM&r=XjoxFjv_X6kJtqXjetKnZVwiP5oJ5TLiuFSrAHfY6YI&m=ts8Wgd-bTpkqTloO2MxE9nX3APIUGej2JEK6dnTp7v0Pi5nCf8UvC7f3HmBDHojH&s=0nIUxahbihYUr4eS6v0GYeb3l3NnID8CixZexDI-lGo&e=)

## Exhibit 5

1 R. Craig Clark (SBN 129219)  
cclark@clarklawyers.com  
2 Monique R. Rodriguez (SBN 304223)  
mrodriguez@clarklawyers.com  
3 **CLARK LAW GROUP**  
205 West Date Street  
4 San Diego, CA 92101  
Telephone: (619) 239-1321  
5 Facsimile: (888) 273-4554



6 Walter Haines (SBN 071075)  
**UNITED EMPLOYEES LAW GROUP**  
7 5500 Bolsa Avenue, Suite 201  
Huntington Beach, CA 92649  
8 Telephone: (562) 256-1047  
Facsimile: (562) 256-1006

9  
10 Stuart C. Talley (SBN 180374)  
**KERSHAW, COOK & TALLEY PC**  
401 Watt Ave.  
11 Sacramento, CA 95864  
Telephone: (916) 779-7000  
12 Facsimile: (916) 721-2501

13 *Attorneys for Plaintiff*

14  
15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
16 **IN AND FOR THE COUNTY OF SACRAMENTO**

17 JASON HUDSON, as an individual, on  
behalf of himself, and all persons similarly  
18 situated,

19 Plaintiff,

20 v.

21 PACIFIC BELL TELEPHONE  
22 COMPANY, a California corporation  
authorized to do business in the state of  
23 California, and DOES 1 to 10 inclusive,

24 Defendant.  
25

CASE NO.: 34-2016-00202203

[Assigned to the Hon. Alan G. Perkins, Dept. 35]

**CLASS & REPRESENTATIVE ACTION**

**PLAINTIFF'S NOTICE OF THE COURT'S  
ORDER GRANTING FINAL APPROVAL  
OF CLASS ACTION SETTLEMENT AND  
FINAL JUDGMENT OF CLASS ACTION  
SETTLEMENT**

26 ///

27 ///

28 ///

1           **TO ALL PARTIES AND THEIR COUNSEL OF RECORD:**

2           **PLEASE TAKE NOTICE** that on July 11, 2019 the Court issued the attached Order  
3 Granting Final Approval of Class Action Settlement and Final Judgment of Class Action  
4 Settlement following the hearing on Plaintiff's Motion for Final Approval of Class Action  
5 Settlement on July 11, 2019 at 9:30 a.m. in Department 35 of the above-captioned Court for  
6 the above-captioned matter.

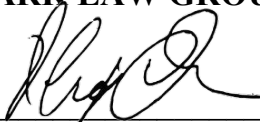
7           Attached hereto as **Exhibit 1** is a true and correct copy of the Court's Order Granting  
8 Final Approval of Class Action Settlement issued on July 11, 2019 for the above-captioned  
9 matter.

10          Attached hereto as **Exhibit 2** is a true and correct copy of the Court's Final Judgment of  
11 Class Action Settlement issued on July 11, 2019 for the above-captioned matter.

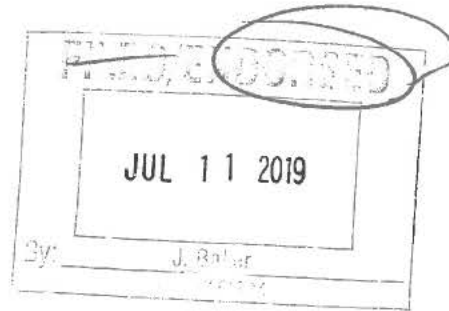
12  
13 Dated: July 15, 2019

**CLARK LAW GROUP**

14  
15 By:

  
\_\_\_\_\_  
R. Craig Clark  
Monique R. Rodriguez  
*Attorneys for Plaintiff*

# **Exhibit 1**



**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SACRAMENTO**

JASON HUDSON, as an individual, on  
behalf of himself, and all persons similarly  
situated,

Plaintiff,

v.

PACIFIC BELL TELEPHONE  
COMPANY, a California corporation  
authorized to do business in the state of  
California, and DOES 1 to 10 inclusive,

Defendant.

CASE NO.: 34-2016-00202203

[Assigned to the Hon. Alan G. Perkins, Dept. 35]

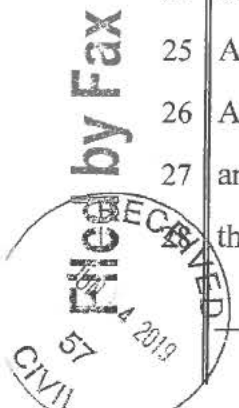
**CLASS & REPRESENTATIVE ACTION**

**[PROPOSED] ORDER GRANTING FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

Date: July 11, 2019  
Time: 9:30 a.m.  
Dep't: 35

This matter has come before the Honorable Alan G. Perkins, in Department 35 of the above-entitled Court, located at 720 9<sup>th</sup> Street, Sacramento, California 95814, on Plaintiff's Motion for Final Approval of Class Action Settlement and Application for Attorneys' Fees, Costs, and Representative Service Award ("Motion for Final Approval"), pursuant to California Rules of Court, Rule 3.769, on July 11, 2019 at 9:30 a.m. The Parties appeared through their respective counsel of record.

On March 8, 2019, the Court granted Plaintiff's Motion for Preliminary Approval of Class Action Settlement and entered an Order granting Preliminary Approval of the Class Action Settlement, thereby preliminarily approving the settlement of the above-captioned Action in accordance with the Joint Stipulation and Agreement for Class Action Settlement and Release of Claims ("Settlement Agreement"), which together with the exhibits attached thereto, sets forth the terms and conditions for settlement and dismissal of the Action.



1 Having duly considered all relevant papers, oral argument, and good cause appearing,  
2 IT IS HEREBY ORDERED THAT:

3 1. This Order shall incorporate by reference the definitions in the Settlement  
4 Agreement. To the extent that the terms are defined in the Settlement Agreement, all defined  
5 terms contained herein shall have the same meanings as set forth in the Settlement Agreement.

6 2. The Court has jurisdiction over the claims asserted in this Action, personal  
7 jurisdiction over the Plaintiff, Defendant and the members of the Settlement Class, as defined  
8 in the Settlement Agreement.

9 3. The Court finds that the applicable requirements of the California Code of Civil  
10 Procedure section 382 and California Rules of Court, Rule 3.769 have been satisfied with  
11 respect to the Class and the settlement. The Court hereby makes final its earlier provisional  
12 certification of the following Settlement Class for purposes of settlement.

13 All current and former employees of Pacific Bell  
14 Telephone Company who held the position of  
15 Premises Technician at any time during the period of  
16 October 24, 2012 through March 8, 2019, excluding  
any named plaintiff in a certified class-based  
employment-related litigation pending against  
Defendant.

17 4. The Court finds that the Class Notice that was approved by the Court on March  
18 8, 2019, and transmitted to the Settlement Class, fully and accurately informed the Class  
19 Members of all material elements of the settlement, including their opportunity to object to or  
20 to seek exclusion ("opt-out") from the settlement; was the best notice practicable under the  
21 circumstances; was valid, due and sufficient notice to all Class Members; and complied fully  
22 with the laws of the state of California, the United States Constitution, due process, Rule 3.766  
23 of the California Rules of Court, and all other applicable laws.

24 5. Based on the declaration of Amanda Myette of Rust Consulting, Inc., the Court  
25 finds that no class member has objected to the terms of the settlement.

26 6. Based on the declaration of Amanda Myette of Rust Consulting, Inc, the Court  
27 finds that Anton Kalaphish submitted a valid and timely Request for Exclusion and shall  
28 therefore be excluded from the settlement.

1           7. Pursuant to California law, the Court hereby GRANTS final approval of the  
2 settlement and finds it fair, reasonable and adequate, and in the best interest of the Settlement  
3 Class as a whole. Specifically, the Court finds that the settlement was reached following  
4 meaningful discovery and investigation conducted by Class Counsel; that the settlement is the  
5 result of serious, informed, adversarial, and arm's-length negotiations between the Parties and  
6 that the terms of the settlement are, in all respects, fair, adequate, and reasonable. In so  
7 finding, the Court has considered all of the evidence presented, including evidence regarding  
8 the strength of Plaintiff's case; the risks, expenses, and complexity of the claims presented; the  
9 likely duration of further litigation; the amount offered in the settlement; the extent of  
10 investigation and discovery completed; and the experience and views of Class Counsel.  
11 Furthermore, the Court has considered the lack of objections and minimal requests for  
12 exclusions from the settlement by the class members. Accordingly, the Court hereby Orders  
13 and directs that the settlement be effected in accordance with the Settlement Agreement and  
14 the following terms and conditions.

15           8. The Court finds that a full opportunity has been afforded to the class members to  
16 participate in this hearing, and all class members and other persons wishing to be heard have  
17 been heard. The class members also have had a full and fair opportunity to exclude themselves  
18 from the settlement and the applicable Settlement Class. Therefore, the Court hereby Orders  
19 that pursuant to the Settlement Agreement, as of the Final Effective Date, Plaintiff and each  
20 Participating Class Member shall release Defendant, any of its former, present or future  
21 parents, subsidiaries, affiliates, partners, officers, directors, employees, agents, shareholders,  
22 and the predecessors and successors, assigns, and legal representatives of all such entities and  
23 individuals ("Released Parties") from any and all known and unknown wage and hour related  
24 claims that arise out of the facts asserted in the operative complaint of the Action including,  
25 without limitation, any claims asserted in the litigation of the Action, from October 24, 2012  
26 through March 8, 2019. The Released Claims also include, but are not limited to, claims  
27 brought under Labor Code §§ 201, 202, 203, 226, 226.7, 510, 512, 558, 1194, and 2698 *et seq.*,  
28 California Business and Professions Code §§ 17200 *et seq.*, and the Industrial Welfare

1 Commission Wage Orders based on the facts asserted in the operative complaint in the Action  
2 from October 24, 2012 through March 8, 2019. Exempted from this settlement are California  
3 Labor Code § 226(e) claims specifically raised in the action *Dave Meza v Pacific Bell*  
4 *Telephone Company*, Case No. BCHV-15101572, pending before the Superior Court of  
5 California in the County of Kern concerning whether Defendant is required to list on the  
6 itemized wage statement provided to Technicians “hours worked” and “hourly rate” figures to  
7 correspond with overtime payments, including “true-up” overtime payments on cash and non-  
8 cash incentive compensation, paid to them.

9 Additionally, Plaintiff Jason Hudson shall expressly release and forever discharge the  
10 Released Parties of and from all known and unknown claims to the fullest extent permitted by  
11 law, including his rights under section 1542 of the California Civil Code.

12 9. It is hereby Ordered that all Participating Settlement Class Members shall be  
13 prohibited and permanently enjoined from pursuing in any fashion against Defendant or the  
14 Released Parties for any and all of the Released Claims.

15 10. It is hereby Ordered that no later than 30 calendar days after the Effective Date,  
16 Defendant shall deposit the Gross Settlement Amount of \$1,900,000 with the Settlement  
17 Administrator. Within 14 calendar days of receipt of the Gross Settlement Amount, the  
18 Settlement Administrator shall issue the following payments:

- 19 A. To the California Labor and Workforce Development Agency, the Court  
20 awarded LWDA Payment;
- 21 B. To the Settlement Administrator, the Court approved Settlement  
22 Administration Costs;
- 23 C. To Class Counsel, the Court-awarded Class Counsel’s Fees Payment;
- 24 D. To Class Counsel, the Court-awarded Class Counsel’s Litigation  
25 Expenses Payment;
- 26 E. To Plaintiff Jason Hudson, the Court-approved Representative Service  
27 Award;
- 28 F. To the Participating Class Members, their respective Individual

1 Settlement Shares according to the methodology and terms set forth in the  
2 Settlement Agreement.

3 Any residual and required interest shall be remitted to United Way World Wide's financial  
4 stability initiative, in accordance with section 384 of the Code of Civil Procedure.

5 11. Pursuant to California Labor Code section 2699(1)(2), the Court has reviewed the  
6 Settlement Agreement as it relates to the settlement and release of the Released Claims that  
7 arise under the Private Attorneys General Act of 2004 (codified in Labor Code §§ 2698 *et*  
8 *seq.*). The Court finds that the allocation of \$100,000 for PAGA civil penalties to which 75%  
9 or \$75,000 will be paid to the LWDA as the LWDA Payment and 25% or \$25,000 will be  
10 allocated to the Net Settlement Amount is fair, reasonable, and appropriate, and is hereby  
11 approved. Therefore, it is hereby Ordered that the Settlement Administrator issue LWDA  
12 Payment of \$25,000 to the California Labor and Workforce Development Agency.

13 12. The Court finds that the Representative Service Award of \$5,000 to Plaintiff  
14 Jason Hudson is fair and reasonable for the work performed by him on behalf of the Class  
15 Members and the risk associated with this Action. Accordingly, it is hereby Ordered that the  
16 Settlement Administrator shall issue a Representative Service Award Payment to Plaintiff  
17 Jason Hudson in the amount of \$5,000, which is in addition to his Individual Settlement  
18 Payments.

19 13. The Court finds that Class Counsel's request for attorneys' fees in the amount of  
20 \$633,333.33 falls within the range of reasonableness and the result achieved justifies the award  
21 sought. The requested fees are fair, reasonable, and appropriate and are hereby approved. It is  
22 hereby Ordered that the Settlement Administrator shall issue to Class Counsel their Fee's  
23 Payment in the amount of \$633,333.33.

24 14. The Court finds that Class Counsel's request for reimbursement of litigation  
25 costs and expenses in the amount of \$58,198.96 is reasonable and is hereby approved. Thus, it  
26 is hereby Ordered that the Settlement Administrator shall issue to Class Counsel a Litigation  
27 Expenses Payment in the amount of \$ 58,198.96.

28 ///

1        15.    The Settlement Administrator shall issue payment to itself in the amount of  
2 \$30,000 for the services performed and the costs incurred in the administration of the  
3 settlement in accordance with the Settlement Agreement and the terms and conditions of this  
4 Order.

5        16.    Class Counsel shall provide notice to class members in accordance with Rule  
6 3.771(b) of the California Rules of Court.

7        17.    A final report regarding the distribution of the settlement funds shall be filed by  
8 January 17, 2020 A non-appearance case review regarding the distribution of the settlement  
9 funds shall be held on January 31, 2020 at 2:15 a.m./p.m.. in Department 35 of the  
10 above-entitled Court.

11        18.    After the entry of this Final Approval Order, pursuant to the California Rules of  
12 Court, Rule 3.769(h), the Court shall retain jurisdiction to construe, interpret, implement, and  
13 enforce the terms of the Agreement, supervise and adjudicate settlement administration  
14 matters, and adjudicate such post-Final Judgment matters as may be appropriate under court  
15 rules or as set forth in the Agreement.

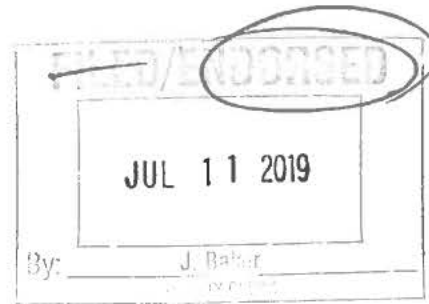
16        **IT IS SO ORDERED.**

17  
18 Dated: July 11, 2019



[Signature]  
Honorable Alan G. Perkins  
Judge of the Superior Court

# **Exhibit 2**



SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF SACRAMENTO

JASON HUDSON, as an individual, on  
behalf of himself, and all persons similarly  
situated,

Plaintiff,

v.

PACIFIC BELL TELEPHONE  
COMPANY, a California corporation  
authorized to do business in the state of  
California, and DOES 1 to 10 inclusive,

Defendant.

CASE NO.: 34-2016-00202203

[Assigned to the Hon. Alan G. Perkins, Dept. 35]

CLASS & REPRESENTATIVE ACTION

**[PROPOSED] FINAL JUDGMENT OF  
CLASS ACTION SETTLEMENT**

This matter has come before the Honorable Alan G. Perkins in Department 35 of the above-entitled Court, located at 720 9<sup>th</sup> Street, Sacramento, California 95814, on Plaintiff's Motion for Final Approval of Class Action Settlement and Application for Attorneys' Fees, Costs, and Representative Service Award ("Motion for Final Approval"), pursuant to California Rules of Court, Rule 3.769, on July 11, 2019 at 9:30 a.m. The Parties appeared through their respective counsel of record.

On March 8, 2019, the Court granted Plaintiff's Motion for Preliminary Approval of Class Action Settlement and entered an Order granting Preliminary Approval of the Class Action Settlement, thereby preliminarily approving the settlement of the above-captioned Action in accordance with the Joint Stipulation and Agreement for Class Action Settlement and Release of Claims ("Settlement Agreement"), which together with the exhibits attached thereto, sets forth the terms and conditions for settlement and dismissal of the Action.

1 Having duly considered the Parties' papers, oral argument, and good cause appearing,  
2 the Court **HEREBY ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:**

3 1. This final judgment incorporates by reference the definitions in the Settlement  
4 Agreement. To the extent that the terms are defined in the Settlement Agreement, all defined  
5 terms contained herein shall have the same meanings as set forth in the Settlement Agreement.

6 2. The Court has jurisdiction over the claims of the class members asserted in this  
7 proceeding and over all Parties to the Action.

8 3. Final judgment in this Action is hereby entered in conformity with the  
9 Agreement, the Preliminary Approval Order, and the Final Approval Order.

10 4. The Settlement Class in this Action is defined as follows:

11 All current and former employees of Pacific Bell  
12 Telephone Company who held the position of  
13 Premises Technician at any time during the period of  
14 October 24, 2012 through March 8, 2019 in the state  
of California, excluding any named plaintiff in a  
certified class-based employment-related litigation  
pending against Defendant.

15 5. The following Class Member has validly requested exclusion from this Action:  
16 Anton Kalapish and shall therefore be excluded from the settlement. No Class Member has  
17 objected to the settlement.

18 6. The Class Notice that was approved by the Court on March 8, 2019, and  
19 transmitted to the Settlement Class, fully and accurately informed the class members of all  
20 material elements of the settlement and of their opportunity to object to or seek exclusion  
21 ("opt-out") from the settlement; was the best notice practicable under the circumstances; was  
22 valid, due and sufficient notice to all class members; and complied fully with the laws of the  
23 state of California, the United States Constitution, due process and other applicable law. The  
24 Class Notice fairly and adequately described the terms of the settlement and provided class  
25 members adequate instructions and a variety of means to obtain additional information.

26 7. The settlement is fair, reasonable and adequate, and in the best interest of the  
27 Settlement Class as a whole.

28 ///

1 8. No later than 30 calendar days after the Effective Date, Defendant shall deposit  
2 with the Settlement Administrator the Gross Settlement Amount of \$1,900,000.

3 9. Within 14 calendar days of the receipt of the Gross Settlement Amount, the  
4 Settlement Administrator shall issue the following payments:

5 A. To the California Labor and Workforce Development Agency the LWDA  
6 Payment of \$75,000 for civil penalties pursuant to the Private Attorneys  
7 General Act of 2004;

8 B. To the Settlement Administrator, Administrative Costs in the amount  
9 \$30,000 for services and costs incurred in the administration of the  
10 settlement;

11 C. To Class Counsel the Class Counsel's Fee Payment in the amount of  
12 \$633,333.33 for attorneys' fees;

13 D. To Class Counsel the Class Counsel's Litigation Expense Payment in the  
14 amount of \$58,198.96 for reimbursement of actual litigation costs  
15 incurred in connection with prosecuting this Action;

16 E. To Plaintiff Jason Hudson a Representative Service Award in the amount  
17 of \$5,000;

18 F. To the Participating Class Members their respective Individual Settlement  
19 Shares according to the methodology and terms set forth in the Settlement  
20 Agreement.

21 Any residual and required interest shall be remitted to United Way World Wide's financial  
22 stability initiative, in accordance with section 384 of the Code of Civil Procedure.

23 10. As of the Final Effective Date, Plaintiff and each Participating Class Member  
24 shall release Defendant, any of its former, present or future parents, subsidiaries, affiliates,  
25 partners, officers, directors, employees, agents, shareholders, and the predecessors and  
26 successors, assigns, and legal representatives of all such entities and individuals ("Released  
27 Parties") from any and all known and unknown wage and hour related claims that arise out of  
28 the facts asserted in the operative complaint of the Action, including, without limitation, any

1 claims asserted in the litigation of the Action, from October 24, 2012 through March 8, 2019.  
2 The Released Claims also include but are not limited to claims brought under Labor Code §§  
3 201, 202, 203, 226, 226.7, 510, 512, 558, 1194, and 2698 *et seq.*, California Business and  
4 Professions Code §§ 17200 *et seq.*, and the Industrial Welfare Commission Wage Orders  
5 based on the facts asserted in the operative complaint in the Action from October 24, 2012  
6 through March 8, 2019. Exempted from this settlement are California Labor Code § 226(e)  
7 claims specifically raised in the action *Dave Meza v Pacific Bell Telephone Company*, Case  
8 No. BCV-15-101572, pending before the Superior Court of California in the County of Kern  
9 concerning whether Defendant is required to list on the itemized wage statement provided to  
10 Technicians “hours worked” and “hourly rate” figures to correspond with overtime payments,  
11 including “true-up” overtime payments on cash and non-cash incentive compensation, paid to  
12 them.

13       11. As of the Effective Date, Plaintiff Jason Hudson shall expressly release and  
14 forever discharge the Released Parties of and from all known and unknown claims to the  
15 fullest extent permitted by law, including his rights under section 1542 of the California Civil  
16 Code.

17       12. All Participating Settlement Class Members shall be prohibited and permanently  
18 enjoined from pursuing in any fashion against Defendant or the Released Parties any and all of  
19 the Released Claims.

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1        13. In accordance with California Rules of Court, Rule 3.769(h), this document shall  
2 constitute a final judgment and this Court shall retain jurisdiction to construe, interpret,  
3 implement, and enforce the terms of the Agreement, supervise and adjudicate settlement  
4 administration matters, and adjudicate such post-final judgment matters as may be appropriate.  
5

6 **APPROVED AS TO FORM:**  
7

8 Date: June 25, 2019

**PAUL HASTINGS LLP**

9  
10 By: 

Raymond W. Bertrand  
*Attorneys for Defendant*  
11  
12  
13

14 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

15  
16 Dated: **JUL 11 2019**

**ALAN G. PERKINS**

Honorable Alan G. Perkins  
Judge of the Superior Court  
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**DECLARATION OF SERVICE**

Hudson v. Pacific Bell

*Sacramento Superior Court Case No. 34-2016-00202203*

I am employed in the county of San Diego, state of California. I am over the age of 18 and not a party to this action. My business address is 205 West Date Street, San Diego, CA 92101. On June 27, 2019, I served the document(s) described as:

**1. [PROPOSED] FINAL JUDGMENT.**

on the following interested parties and in the manner as follows:

Raymond W. Bertrand  
PAUL HASTINGS LLP  
4747 Executive Drive, 12th Floor  
San Diego, CA 92121  
Tel: (858) 458-3000  
Fax: (858) 458-3005  
*Counsel for Defendant*

Stuart C. Talley  
KERSHAW, COOK & TALLEY PC  
401 Watt Ave.  
Sacramento, CA 95864  
Telephone: (916) 779-7000  
Facsimile: (916) 721-2501  
*Co-counsel for Plaintiff*

☒ **BY U.S. MAIL:** by placing the document(s) listed above in a sealed envelope for collection and mailing following our ordinary business practices. I am readily familiar with our ordinary business practices for collecting and processing mail for the United States Postal Service, and mail that I place for collection and processing is regularly deposited with the United States Postal Service that same day with postage prepaid.

☐ **BY EXPRESS DELIVERY:** by enclosing the document(s) listed above in an envelope or package provided by an express delivery carrier and addressed to the person(s) at the addresses listed above. I placed the envelope or package for collection and express delivery at an office or regularly utilized drop box of the express delivery carrier.

☐ **BY EMAIL:** by causing to be transmitted via email the document(s) listed above to the email address set forth above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Declaration was executed on June 27, 2019, at San Diego, California.



Andrea Gorriño

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**DECLARATION OF SERVICE**

Hudson v. Pacific Bell

*Sacramento Superior Court Case No. 34-2016-00202203*

I am employed in the county of San Diego, state of California. I am over the age of 18 and not a party to this action. My business address is 205 West Date Street, San Diego, CA 92101. On July 15, 2019, I served the document(s) described as:

**1. PLAINTIFF'S NOTICE OF THE COURT'S ORDER GRANTING FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND FINAL JUDGMENT OF CLASS ACTION SETTLEMENT.**

on the following interested parties and in the manner as follows:

Raymond W. Bertrand  
PAUL HASTINGS LLP  
4747 Executive Drive, 12th Floor  
San Diego, CA 92121  
Tel: (858) 458-3000  
Fax: (858) 458-3005  
*Counsel for Defendant*

Stuart C. Talley  
KERSHAW, COOK & TALLEY PC  
401 Watt Ave.  
Sacramento, CA 95864  
Telephone: (916) 779-7000  
Facsimile: (916) 721-2501  
*Co-counsel for Plaintiff*

☒ **BY U.S. MAIL:** by placing the document(s) listed above in a sealed envelope for collection and mailing following our ordinary business practices. I am readily familiar with our ordinary business practices for collecting and processing mail for the United States Postal Service, and mail that I place for collection and processing is regularly deposited with the United States Postal Service that same day with postage prepaid.

☐ **BY EXPRESS DELIVERY:** by enclosing the document(s) listed above in an envelope or package provided by an express delivery carrier and addressed to the person(s) at the addresses listed above. I placed the envelope or package for collection and express delivery at an office or regularly utilized drop box of the express delivery carrier.

☐ **BY EMAIL:** by causing to be transmitted via email the document(s) listed above to the email address set forth above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Declaration was executed on July 15, 2019, at San Diego, California.



Andrea Gorriño

## Exhibit 6

Electronically Received 09/08/2023 03:40 PM

**FILED**  
Superior Court of California  
County of Los Angeles

10/03/2023

David W. Slayton, Executive Officer / Clerk of Court

By: T. Lewis Deputy

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT  
12 COMPLEX CIVIL LITIGATION  
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14 COORDINATION PROCEEDING SPECIAL  
15 TITLE [RULE 3.550]

16 **PACIFIC BELL WAGE & HOUR CASES**

17 Included actions:

18 *Steven Leggins and Fernando Lopez v. Pacific*  
19 *Bell Telephone Company*, Los Angeles County  
Superior Court, Case No. BC587252 (filed  
July 7, 2015);

20 *David Herrera v. Pacific Bell Telephone*  
21 *Company*, Alameda County Superior Court,  
Case No. RG18928072 (filed June 12, 2018);

22 *Alexander Hernandez v. Pacific Bell Telephone*  
23 *Company*, Riverside County Superior Court,  
Case No. RIC1901671 (filed February 22,  
24 2019).

Judicial Council Coordination Proceeding No.  
5017

Assigned For All Purposes to the Honorable  
David S. Cunningham, Department 15

**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION FOR FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

Date: October 3, 2023  
Time: 10:00 a.m.  
Place: Department 15

1 This Court preliminarily approved the Parties' Amended Class Action and PAGA Settlement  
2 Agreement ("Settlement Agreement" or "Settlement") in its Order Granting Preliminary Approval of Class  
3 Action Settlement, filed on June 13, 2023, and the Order on *Ex Parte* Application to Amend Order  
4 Granting Preliminary Approval of Class Action Settlement filed June 30, 2023 (collectively "Preliminary  
5 Approval Order").<sup>1</sup>

6 On October 3, 2023, at 10:00 a.m., the Court held a hearing on Plaintiffs' Steven Leggins,  
7 Fernando Lopez, David Herrera, and Alexander Hernandez (collectively, "Plaintiffs") Motion for Final  
8 Approval of the Parties' Class Action and PAGA Settlement Agreement ("Motion"). The Court—having  
9 received and considered the Settlement Agreement, all of the papers submitted in support of Plaintiffs'  
10 Motion, the oral arguments of counsel and the entire record in this action, and this matter having been  
11 duly heard—grants final approval of the Settlement, and HEREBY ORDERS and MAKES  
12 DETERMINATIONS as follows:

13 1. The following group of persons is hereby certified as Class Members for the purpose of  
14 entering a settlement in this matter:

- 15 a. All persons employed by Defendants in California and who worked in a  
16 Technician job title for Defendants during the Class Period—from July 7, 2011  
17 through June 13, 2023—excluding persons who worked as Premises  
18 Technicians at any point from October 24, 2012 through March 8, 2019, but  
19 only during the time in which they were performing such work.

20 2. In accordance with the Preliminary Approval Order, Class Members have been given  
21 notice of the terms of the Settlement and the opportunity to comment on or object to it or to exclude  
22 themselves from its provisions. The Court finds and determines that this notice procedure afforded  
23 adequate protections to Class Members and provides the basis for the Court to make an informed  
24 decision regarding approval of the settlement based on the responses of Class Members. The Court  
25

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26 <sup>1</sup> The Court preliminarily approved the Parties' original settlement agreement in its order filed  
27 June 13, 2023. However, the Parties subsequently discovered a scrivener's error in the original  
28 Settlement Agreement and thus agreed to amend the agreement on June 28, 2023. The agreement, as  
amended, serves as the Parties' Settlement Agreement. On June 30, 2023, this Court granted the Parties'  
*ex parte* application to amend its preliminary approval order to conform to the Settlement Agreement.

1 finds and determines that the notice provided in this case was the best notice practicable, which  
2 satisfied the requirements of law and due process.

3 3. For the reasons stated in the Preliminary Approval Order, the Court finds and  
4 determines that the proposed class, as defined above, meets all of the legal requirements for class  
5 certification, and it is hereby ordered that the Class is finally approved and certified as a Class for  
6 purposes of the Settlement (the “Settlement Class”). Pursuant to their requests, Chris Rumenapp,  
7 Sharon Dolera, and Desiree Jones are excluded from the Settlement Class.

8 4. The Court hereby appoints (a) Plaintiffs Steven Leggins, Fernando Lopez, David  
9 Herrera, and Alexander Hernandez as the Class Representatives; (b) R. Craig Clark and Alicja A.  
10 Urtnowski of Clark Law Group as Lead Class Counsel; and (c) Shaun Setareh and William M. Pao of  
11 Setareh Law Group and Matthew Righetti and John Glugoski of Righetti Glugoski, P.C. as Co-Lead  
12 Class Counsel.

13 5. The Court finds and determines that the terms of the Settlement are fair, reasonable,  
14 and adequate to each member of the Settlement Class, that the Settlement Class Members who have  
15 not opted out will be bound by the Settlement, that the Settlement is ordered finally approved, and that  
16 all terms and provisions of the Settlement should be and hereby are ordered to be consummated.

17 6. The Court finds and determines that the Settlement Shares to be paid to the Settlement  
18 Class, as provided for by the Settlement, are fair and reasonable. The Court hereby gives final  
19 approval to and orders the payment of those amounts to be made to the Settlement Class out of the Net  
20 Settlement Amount in accordance with the Settlement.

21 7. Pursuant to the Labor Code Private Attorneys General Act (“PAGA”), Cal. Lab. Code  
22 §§ 2699(1)(2), (1)(4), the Labor Workforce and Development Agency (“LWDA”) has been given  
23 notice of the Settlement. Pursuant to PAGA, Plaintiffs submitted a copy of the Settlement to the  
24 LWDA on the same date they filed their motion seeking approval of the Settlement with the Court.  
25 The Court finds and determines that the notice of the Settlement complied with the statutory  
26 requirements of PAGA.

27 8. As provided in the Settlement, there is one group of Aggrieved Employees for the purposes  
28 of PAGA:

- 1 a. All persons employed by Defendants in California and who worked in a  
2 Technician job title for Defendants during the PAGA Period—from June 3,  
3 2014 through June 13, 2023.

4 9. The Court finds and determines that payment to the LWDA of \$225,000, and payment  
5 to Aggrieved Employees of \$75,000, as each respective group's share of the settlement of civil  
6 penalties under PAGA in this case is fair, reasonable, and appropriate. The Court hereby gives final  
7 approval to and orders that the payment of those amounts be paid out of the Gross Settlement Amount  
8 in accordance with the Settlement.

9 10. The Court finds and determines that the fees and expenses of Atticus Administration, in  
10 administering the settlement, in the amount of \$65,955, are fair and reasonable. The Court hereby  
11 gives final approval to and orders that the payment of that amount be paid out of the Gross Settlement  
12 Amount in accordance with the Settlement.

13 11. In addition to any recovery that Plaintiffs may receive from the Net Settlement  
14 Amount, and in recognition of the Plaintiffs' efforts on behalf of the Settlement Class and in exchange  
15 for a general release of claims, the Court hereby approves the payment of a service payment to each  
16 Class Representative in the amount of \$15,000, and orders that the payment of that amount be paid out  
17 of the Gross Settlement Amount in accordance with the Settlement.

18 12. Pursuant to the authorities and argument presented to the Court, the Court approves the  
19 payment to Class Counsel of attorneys' fees totaling one-third or \$4,033,333.33 of the Gross  
20 Settlement Amount, and orders that the payment of that amount be paid out of the Gross Settlement  
21 Amount in accordance with the Settlement. Pursuant to Class Counsel's fee-splitting agreement, these  
22 fees will be divided and paid out as follows:

23

| Firm                   | Percentage of Fees | Payment        |
|------------------------|--------------------|----------------|
| Clark Law Group        | 55%                | \$2,218,333.33 |
| Setareh Law Group      | 25%                | \$1,008,333.33 |
| Righetti Glugoski P.C. | 20%                | \$806,666.67   |

24  
25

26 13. Pursuant to the authorities and argument presented to the Court, the Court also  
27 approves the payment to Class Counsel of litigation expenses in the sum of \$52,029.42, and orders  
28 that the payment of that amount be paid out of the Gross Settlement Amount in accordance with the

1 Settlement and as allocated below:

| Firm                  | Costs       |
|-----------------------|-------------|
| Clark Law Group       | \$23,026.95 |
| Setareh Law Group     | \$13,869.14 |
| Righetti Glugoski P.C | \$15,133.33 |

5 14. Pursuant to the Settlement Agreement, Plaintiffs and all Settlement Class Members  
6 permanently release the Released Parties<sup>2</sup> from any and all claims that (1) were alleged, or that  
7 reasonably could have been alleged based on the facts asserted in any of the Complaints filed in the  
8 Action, including the Operative Complaint, and/or PAGA Notices, and/or (2) ascertained in the course  
9 of the Action, for the duration of the Class Period—from July 7, 2011, through June 13, 2023.

10 15. Pursuant to the Settlement, Plaintiffs—on behalf of the State of California, the LWDA,  
11 and all aggrieved employees—permanently release the Released Parties<sup>3</sup> from any and all claims for  
12 civil penalties that (1) were alleged, or that reasonably could have been alleged based on the facts  
13 asserted in any of the Complaints filed in the Action, including in the Operative Complaint, and/or  
14 PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the PAGA  
15 Period—from June 3, 2014 through June 13, 2023.

16 16. The Parties are hereby ordered to comply with the terms of the Settlement Agreement.

17 17. The Parties shall bear his, her, its, or their own respective attorneys' fees and costs  
18 except as otherwise provided in the Settlement Agreement and this Order.

19 18. Without affecting the finality of this order in any way, the Court retains jurisdiction of  
20 all matters relating to the interpretation, administration, implementation, effectuation, and enforcement  
21 of this order and the Settlement; including jurisdiction pursuant to California Rule of Court 3.769(h),  
22 solely for purposes of (a) enforcing the Agreement, (b) addressing settlement administration matters,  
23 and (c) addressing such post-Judgment matters as may be appropriate under court rules or applicable  
24 law.

25  
26 <sup>2</sup> Per the Settlement Agreement, this includes Defendants Pacific Bell Telephone Company and AT&T  
27 Services, Inc., and any of Defendants' present and former parents, subsidiaries, successors, and affiliated  
28 companies or entities, and their respective directors, employees, officers, partners, shareholders, owners,  
agents, attorneys, insurers, and assigns.

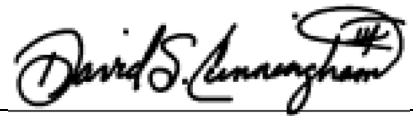
<sup>3</sup> See *supra* n. 2.

1           19. Upon completion of administration of the settlement, the Settlement Administrator will  
2 provide written certification of such completion to the Court and counsel for the Parties.

3           20. The Court Sets a Non-Appearence Case Review re: Final Report re: Distribution of  
4 Settlement Funds for September 3, 2024, at 8:30 a.m..  
5 Final Report is to be filed ~~by~~ five (5) days prior to the above scheduled date.

6  
7           **IT IS SO ORDERED.**

8  
9           DATED: 10/03/2023



Honorable David S. Cunningham  
Los Angeles County Superior Court

**FILED**  
Superior Court of California  
County of Los Angeles

**10/03/2023**

David W. Slayton, Executive Officer / Clerk of Court

By: T. Lewis Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT  
COMPLEX CIVIL LITIGATION

COORDINATION PROCEEDING SPECIAL  
TITLE [RULE 3.550]

Judicial Council Coordination Proceeding No.  
5017

**PACIFIC BELL WAGE & HOUR CASES**

Assigned For All Purposes to the Honorable  
David S. Cunningham, Department 15

Included actions:

**[PROPOSED] JUDGMENT**

*Steven Leggins and Fernando Lopez v. Pacific  
Bell Telephone Company*, Los Angeles County  
Superior Court, Case No. BC587252 (filed  
July 7, 2015);

Date: October 3, 2023  
Time: 10:00 a.m.  
Place: Department 15

*David Herrera v. Pacific Bell Telephone  
Company*, Alameda County Superior Court,  
Case No. RG18928072 (filed June 12, 2018);

*Alexander Hernandez v. Pacific Bell Telephone  
Company*, Riverside County Superior Court,  
Case No. RIC1901671 (filed February 22,  
2019).

1 **JUDGMENT**

2 In this action, Plaintiffs’ Steven Leggins, Fernando Lopez, David Herrera, and Alexander  
3 Hernandez (collectively, “Plaintiffs”) asserted various wage-and-hour claims on behalf of a class, as well  
4 as on behalf of the State of California and aggrieved employees under the Private Attorneys General  
5 Act, Labor Code § 2698 *et seq.* (“PAGA”). The Parties settled the case, and the operative settlement  
6 agreement, as amended, is attached hereto as Exhibit A (the “Settlement Agreement” or “Settlement”).

7 This Court preliminarily approved the Settlement Agreement in its Order Granting Preliminary  
8 Approval of Class Action Settlement, filed on June 13, 2023, and the Order on *Ex Parte* Application to  
9 Amend Order Granting Preliminary Approval of Class Action Settlement filed June 30, 2023 (collectively  
10 “Preliminary Approval Order”). It set a hearing for final approval for October 3, 2023, at 10:00 a.m. No  
11 objections to the Settlement were received either at or before the October 3 hearing. The Court then  
12 granted final approval of the settlement (the “Final Approval Order”).

13 In accordance with the Final Approval Order, **IT IS HEREBY ORDERED, ADJUDGED**  
14 **AND DECREED THAT:**

15 1. This Judgment is entered in accordance with the Settlement Agreement and the Final  
16 Approval Order; the terms of both the Settlement Agreement and the Final Approval Order are  
17 incorporated into this Judgment.

18 2. All capitalized terms in this Order that are not otherwise defined in this Order shall have  
19 the same meaning as defined in the Settlement Agreement.

20 3. As provided in the Settlement, there is one Settlement Class:

21 a. All persons employed by Defendants in California and who worked in a  
22 Technician job title for Defendants during the Class Period—from July 7, 2011  
23 through June 13, 2023—excluding persons who worked as Premises  
24 Technicians at any point from October 24, 2012 through March 8, 2019, but  
25 only during the time in which they were performing such work.

26 4. Pursuant to their requests, Chris Rumenapp, Sharon Dolera, and Desiree Jones are  
27 excluded from the Settlement Class.

28 5. As provided in the Settlement, there is also one group of Aggrieved Employees for the

1 purposes of the Labor Code Private Attorneys General Act (“PAGA”):

- 2           a. All persons employed by Defendants in California and who worked in a  
3           Technician job title for Defendants during the PAGA Period—from June 3,  
4           2014 through June 13, 2023.

5           6. Plaintiffs, the members of the Settlement Class, the State of California and its Labor  
6           Workforce and Development Agency (“LWDA”), and the Aggrieved Employees shall take from the  
7           Operative Complaint and PAGA Notices only the relief set forth in (a) the Settlement Agreement and  
8           (b) the Final Approval Order.

9           7. As of the Effective Date, Plaintiffs and all member of the Settlement Class are deemed  
10          to have granted Defendants and the Released Parties the following release provided in the Settlement  
11          Agreement:

12           All Participating Class Members, on behalf of themselves and their respective former and  
13           present representatives, agents, attorneys, heirs, administrators, successors, and assigns,  
14           release Released Parties of any and all claims that (1) were alleged, or that reasonably could  
15           have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA  
16           Notices, and/or (2) ascertained in the course of the Action, for the duration of the Class  
17           Period. This includes, but is not limited to, claims for statutory, constitutional, contractual  
18           or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated  
19           damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable  
20           relief for violations of the California Labor Code, California Industrial Welfare Commission  
21           Wage Orders, and California Business and Professions Code § 17200, *et seq.* for the  
22           following categories of allegations, to the fullest extent such claims are releasable by law: (a)  
23           all claims for failure to pay wages, including overtime premium pay and the minimum wage;  
24           (b) all claims for the failure to provide meal and/or rest periods in accordance with applicable  
25           law, including payments equivalent to one hour of the employee’s regular rate of pay for  
26           missed meal and/or rest periods and alleged non-payment of wages for meal periods worked  
27           and not taken; (c) all claims for the alleged omission of any kind of remuneration when  
28           calculating an employee’s regular rate of pay; (d) all claims for the alleged failure to  
          indemnify and/or reimburse employees for any business expenses; and (f) any and all claims  
          for recordkeeping or pay stub violations, claims for timely payment of wages and associated  
          penalties, and all other civil and statutory penalties.

25           8. As of the Effective Date, the State of California is deemed to have granted Defendants  
26          and the Released Parties the following release provided in the Settlement Agreement:

27           In consideration of the PAGA Settlement Amount, Plaintiffs Leggins, Lopez, Herrera, and  
28           Hernandez—on behalf of the State of California, the LWDA, and the Aggrieved

1 Employees—release and discharge the Released Parties of any and all claims for civil  
2 penalties that (1) were alleged, or that reasonably could have been alleged based on the facts  
3 asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the  
4 course of the Action, for the duration of the PAGA Period.

5 All Participating and Non-Participating Class Members are therefore deemed to release, on  
6 behalf of themselves and their respective former and present representatives, agents,  
7 attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims  
8 for civil penalties that (1) were alleged, or that reasonably could have been alleged based on  
9 the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained  
10 in the course of the Action, for the duration of the PAGA Period.

11 9. Pursuant to California Rules of Court Rule 3.771(b), Class Counsel shall provide notice  
12 of the Final Approval Order and this Judgment to the Settlement Group Members by posting a copy of  
13 the Final Approval Order and Judgment on the Settlement Administrator’s website for at least 90  
14 calendar days after the date of this Judgment. Individualized notice to each member of the Settlement  
15 Class is not required.

16 10. Pursuant to Labor Code § 2699(1)(3), Class Counsel shall submit the Final Approval  
17 Order and this Judgment to the California Labor and Workforce Development Agency within 10 days  
18 after the date of this Judgment.

19 11. Pursuant to California Rules of Court Rule 3.769(h), this Court retains jurisdiction over  
20 the parties to enforce the terms of the Settlement Agreement, the Final Approval Order, and this  
21 Judgment.

22 DATED: 10/03/2023



23 *David S. Cunningham*

24 David S. Cunningham III / Judge

25 Honorable David S. Cunningham  
26 Los Angeles County Superior Court

# **EXHIBIT A**

# **EXHIBIT A**

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF LOS ANGELES**

Coordination Proceeding Special  
Title (Rule 3.550)

Judicial Council Coordination Proceeding No.  
5017

**PACIFIC BELL WAGE AND HOUR CASES**

**CLASS & REPRESENTATIVE ACTION**

Included actions:

**AMENDMENT TO CLASS ACTION AND  
PAGA SETTLEMENT AGREEMENT**

*Leggins, et al. v. Pacific Bell Telephone  
Company*, Los Angeles County Superior Court  
Case No. BC587252

*Herrera v. Pacific Bell Telephone Company, et  
al.*, Alameda County Superior Court Case No.  
RG18928072

Dept.: 15  
Judge: Hon. David S. Cunningham

*Hernandez v. Pacific Bell Telephone Company*,  
Riverside County Superior Court Case No.  
RIC1901671

1 This amendment (“Amendment”) to the Parties’ April 2023 Class Action And PAGA  
2 Settlement Agreement (“Settlement Agreement”) is entered into by and between Plaintiffs Steven  
3 Leggins, Fernando Lopez, David Herrera, and Alexander Hernandez (“Plaintiffs”), on behalf of  
4 themselves and all other members of the “Class” (defined below); and defendants Pacific Bell  
5 Telephone Company and AT&T Services, Inc., (“Defendants”).

6 This Amendment incorporates by reference all terms and conditions of the Settlement  
7 Agreement, which is attached hereto as **Attachment A**. Except for those specific terms and conditions  
8 that this Amendment modifies, all Settlement Agreement terms and conditions will remain effective  
9 and enforceable. Any inconsistencies or differences between this Amendment and the Settlement  
10 Agreement will be interpreted and construed in favor of this Amendment.

11 **AMENDED TERMS AND CONDITIONS**

12 1. Paragraph 1.5 of the Settlement Agreement is amended to state:

13 “Class” means all persons employed by Defendants in California and who worked in a  
14 Technician job title for Defendants during the Class Period—excluding persons who  
15 worked as Premises Technicians at any point from October 24, 2012, through March 8,  
16 2019, but only during the time in which they were performing such work.

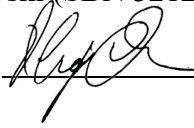
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18 *SIGNATURES ON FOLLOWING PAGES*  
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**CLARK LAW GROUP**

R. Craig Clark (SBN 129219)

Alicja Urtnowski (SBN 321215) *Lead Counsel for Class Members*

Signature: \_\_\_\_\_



Date: 06/28/2023

**PAUL HASTINGS LLP**

Raymond W. Bertrand (SBN 220771)

*Attorneys for Defendants Pacific Bell Telephone Company and AT&T Services, Inc.*

Signature: /s/ Raymond W. Bertrand

Date: 06/28/2023

**Attachment A**

**Attachment A**

# CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Steven Leggins, Fernando Lopez, David Herrera, and Alexander Hernandez (“Plaintiffs”); and defendants Pacific Bell Telephone Company and AT&T Services, Inc., (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

## 1. DEFINITIONS.

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendants captioned *Pacific Bell Wage and Hour Cases* pending before the Superior Court of the State of California, County of Los Angeles (the “Court”), Judicial Council Coordination Proceeding No. 5017, coordinated on June 19, 2019 and pending in Superior Court of the State of California, County of Los Angeles.<sup>1</sup>
- 1.2. “Administrator” means Atticus Administration, 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 Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means Class Members employed by Defendants in California classified as Technicians who worked for Defendants during the PAGA Period.
- 1.5. “Class” means all persons employed by Defendants in California and who worked in a Technician job title for Defendants during the Class Period—excluding persons who worked as Premises Technicians at any point from July 7, 2011, through March 8, 2019, but only during the time in which they were performing such work.

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<sup>1</sup> This litigation encompasses three separate proceedings that were coordinated on June 19, 2019: (1) *Steven Leggins and Fernando Lopez, and on behalf of all persons similarly situated v. Pacific Bell Telephone Company*, LASC Case No. BC587252 (filed July 7, 2015); (2) *David Herrera, on behalf of himself, all others similarly situated v. Pacific Bell Telephone Company*, Alameda County Superior Court Case No. RG17856291 (filed November 9, 2018); and (3) *Alexander Hernandez, an individual and on behalf of all others similarly situated v. Pacific Bell Telephone Company, AT&T Services, Inc.*, Riverside County Superior Court Case No. RIC1901671 (filed February 22, 2019).

- 1.6. “Class Counsel” means R. Craig Clark and Alicja Urtnowski of Clark Law Group as Lead Class Counsel; Shaun Setareh and William M. Pao of Setareh Law Group as Co-Lead Class Counsel; and Matthew Righetti and John Glugoski of Righetti Glugoski, P.C. as Co-Lead Class Counsel.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and data sufficient to calculate the number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member 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 Class Members.
- 1.11. “Class Notices” mean the Court-approved notices of class action settlement and hearing date for final court approval, to be mailed to Class Members in English in the form, without material variation, attached as Exhibits A and B and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from July 7, 2011 through the date the Court Grants preliminary approval of this Settlement.
- 1.13. “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representatives Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendants” means named Defendants Pacific Bell Telephone Company and AT&T Services, Inc.

- 1.17. “Defense Counsel” means Elizabeth A. Brown and Jennifer Svanfeldt of GBG LLP; and Raymond W. Bertrand and James P. de Haan of Paul Hastings LLP.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Gross Settlement Amount” means \$12,100,000; which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below, and includes the Individual Settlement Amount Defendants already paid to certain Class Members through their Individual Settlement Program. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.22. “Hudson Settlement” means the settlement of Premises Technicians’ Class and PAGA claims in *Jason Hudson v. Pacific Bell Telephone Company* (Sacramento Superior Court, Case No. 34-2016-00202203-CU-OE-GDS), which received Final Approval on July 8, 2019.
- 1.23. “Individual Class Payment” means the Participating Class Member’s *pro rata* share of the Net Settlement Amount calculated in accordance with Paragraph 3.2.4 below.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated in accordance with Paragraph 3.2.5 below.
- 1.25. “Individual Settlement Amount” means the approximately \$2,150,000 Defendants have already paid to certain Class Members through their Individual Settlement Program.

- 1.26. “Individual Settlement Program” refers to the individual settlement program described in greater detail in Paragraph 2.3.
- 1.27. “Individual Settlement Share” refers to the *pro rata* share of the Individual Settlement Amount certain Class Members received through Defendants’ Individual Settlement Program.
- 1.28. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.29. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.30. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.31. “Net Settlement Amount” means the Gross Settlement Amount, less (a) the Individual Settlement Amount Defendants already paid to certain Class Members, and (b) the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.32. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.33. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period; excluding any Pay Periods already covered by the State of California’s release of PAGA claims in the *Hudson* Settlement.
- 1.34. “PAGA Period” means the period from June 3, 2014 through the end of the Class Period.
- 1.35. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.36. “PAGA Notices” mean (a) Plaintiff Steven Leggins’s June 3, 2015 letter to Defendants and the LWDA; (b) Plaintiff Steven Leggins’s and Plaintiff Fernando Lopez’s May 3, 2017, amended letter to Defendants and the LWDA; (c) Plaintiff Fernando Lopez’s February 5, 2018 letter to Defendants and the LWDA; (d) Plaintiff David Herrera’s November 8, 2018, letter to Defendants and the LWDA; (e) Plaintiff Alexander Hernandez’s February 21, 2019 letter to Defendants and the LWDA; and (f) Plaintiffs’ amended letter to Defendants and

the LWDA, which will be filed and served on or before May 18, 2023—all of which provide notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.37. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$75,000) and the 75% to LWDA (\$225,000) in settlement of PAGA claims.
- 1.38. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.39. “Plaintiffs” means Steven Leggins, Fernando Lopez, David Herrera, and Alexander Hernandez, the named Plaintiffs in the Action.
- 1.40. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.41. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.42. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.43. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.44. “Released Parties” means: Defendants and any of Defendants’ present and former parents, subsidiaries, successors, and affiliated companies or entities, and their respective directors, employees, officers, partners, shareholders, owners, agents, attorneys, insurers, and assigns.
- 1.45. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.46. “Response Deadline” means 30 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.47. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.48. “Technician” means the following job titles:

Antenna Technician; Building Technician; Cable Splicing Technician; Co Telecommunications Tech; Combination Technician; Communications Technician; Customer Services Technician; Customer Systems Technician; Data Center Technician; Data Services Technician; Enoc Technician; Facilities Technician; Facility Technician; Field Operations Technician; Network Center Technician; Network Technician Wayport; Outside Plant Technician; Premises Technician; Resource Technician; Service Technician; Services Technician; Splicing Technician; Systems Technician; Technician I Switch; *and* Testing Technician.

- 1.49. “Workweek” means any week during which a Class Member worked for Defendants as a Technician for at least one day, during the Class Period; excluding any Workweeks already covered by a Class Member’s release of claims in the *Hudson* Settlement.

## **2. RECITALS.**

- 2.1. On July 7, 2015, Plaintiffs Steven Leggins commenced his action against Defendants. On July 28, 2017, Leggins filed an Amended Complaint, which named Fernando Lopez as a second plaintiff. Plaintiffs Leggins and Lopez then filed their Second Amended Complaint on December 7, 2017. On June 12, 2018, Plaintiff David Herrera commenced his action against Defendants. Plaintiff Herrera filed his First Amended Complaint on January 14, 2019. On February 22, 2019, Plaintiff Alexander Hernandez commenced his action against Defendants. All three of these actions were coordinated into this Action on June 19, 2019. Plaintiffs thus filed a Coordinated Complaint on December 4, 2019. Plaintiffs filed their First Amended Coordinated Complaint on August 26, 2020; Second Amended Coordinated Complaint on September 16, 2020; and Third Amended Coordinated Complaint, which will be filed on or before May 18, 2023. The Third Amended Coordinated Complaint will be the operative complaint in the Action (“Operative Complaint.”). Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendants and the LWDA by sending the PAGA Notices.
- 2.3. On December 22, 2022, Defendants initiated an Individual Settlement Program, mailing putative class members a packet offering to settle their claims against Defendants. Each packet contained (1) an offer letter providing information about (a) this case, (b) other cases in which the recipient could be a putative class member, and (c) the Individual Settlement Program; (2) answers to anticipated questions about the Individual Settlement Program; (3) the applicable release; (4) the operative complaints; and (5) a check to cash if the recipient

opted to accept Defendants' offer. As of the date of this Agreement, approximately 8,600 recipients (roughly 48%) have accepted settlement through the Individual Settlement Program, resulting in Defendants paying approximately \$2,150,000 to that group.

- 2.4 On January 25, 2023, the Parties participated in an all-day mediation presided over by Lou Marlin.
- 2.5 Prior to negotiating the Settlement, Plaintiffs obtained, through both formal and informal discovery, documents and testimony. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.6 The Court has not granted class certification.
- 2.7 The Parties, Class Counsel, and Defense Counsel represent that they are aware of the following pending matters asserting claims that may or will be extinguished or affected by the Settlement:
  - 2.7.1 *Dave Meza v. Pacific Bell Telephone Company*, Kern County Superior Court, Case No. BCV-15-101572
  - 2.7.2 *Garcia v. Pacific Bell Telephone Company*, Tulare County Superior Court, Case No. VCU276232
  - 2.7.3 *Joy Macopson v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV13800
  - 2.7.4 *Jones v. Pacific Bell Telephone Company*, Los Angeles County Superior Court, Case No. 22STCV29492

### 3. **MONETARY TERMS.**

- 3.1. **Gross Settlement Amount.** Except as otherwise provided by Paragraph 9 below, Defendants promise to pay **\$12,100,000** and no more as the Gross Settlement Amount. The Gross Settlement Amount includes the Individual Settlement Amount Defendants already paid to certain Class Members through their Individual Settlement Program. Defendants also promise to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

- 3.2. Payments from the Gross Settlement Amount. Defendants have already paid \$2,156,598 to certain Class Members through their Individual Settlement Program. The Administrator will make and deduct the following further payments from the remaining Gross Settlement Amount (*i.e.* \$9,913,402), in the amounts specified by the Court in the Final Approval:
- 3.2.1 To Plaintiffs: Class Representatives Service Payment to each Class Representative of not more than \$15,000 per Plaintiff (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiffs' request for a Class Representatives Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Representatives Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one third of the Gross Settlement, which is currently estimated to be \$4,033,333.33 and a Class Counsel Litigation Expenses Payment of not more than \$200,000. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class 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 Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$70,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court

approves payment less than \$70,000, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated as follows:

*First*, Participating Class Members who negotiated (i.e., cashed or deposited) the check representing his or her Individual Settlement Share will be allocated a flat sum of \$50 from the Net Settlement Amount. This amount is in addition to the Individual Settlement Share the Participating Class Member who participated in the Individual Settlement Program already received.

*Second*, Participating Class Members who did not negotiate the check representing his or her Individual Settlement Share will be allocated a *pro rata* share of the Net Settlement Amount remaining after the flat sum allocation specified above based on the number of Workweeks that he or she worked in a Technician role for Defendants during the Class Period—with a guaranteed minimum payment of \$150.

3.2.4.1 Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Tax Treatment of Individual Settlement Share. Class Members who negotiated the check representing his or her Individual Settlement Share have received an IRS 1099 Form. The entirety of his or her Individual Settlement Share has been reported on that IRS 1099 Form. Class Members who participated in the Individual Settlement Program bear full responsibility and liability for any taxes owed on their Individual Settlement Share.

3.2.4.3 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class

Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

- 3.2.4.4 Effect of *Hudson* Settlement. Any Participating Class Member who performed worked as a Premises Technician during the period covered by the *Hudson* Settlement has already released any claims arising out of such work. Accordingly, the calculation of their *pro rata* share will exclude any Workweeks between October 24, 2012, through March 8, 2019, in which the Participating Class Member worked as a Premises Technician for Defendants in California.
- 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$300,000 to be paid from the Gross Settlement Amount, with 75% (\$225,000) allocated to the LWDA PAGA Payment and 25% (\$75,000) allocated to the Individual PAGA Payments.
  - 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$75,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
  - 3.2.5.2 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.
  - 3.2.5.3 Effect of *Hudson* Settlement. The State of California has already released any PAGA claims for work performed by Premises Technicians as a Premises Technician during the period covered by the *Hudson* Settlement. Accordingly, the calculation of any Individual PAGA Payment will exclude any PAGA Pay Periods between October 24, 2012, through March 8, 2019, in which the Aggrieved Employee receiving the Individual PAGA Payment worked as a Premises Technician for Defendants in California.
  - 3.2.5.4 Single Check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Class Payment and Individual PAGA Payment.

#### **4. SETTLEMENT FUNDING AND PAYMENTS**

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date—and excluding the Class Members and Workweeks completely covered by the *Hudson* Settlement—Defendants estimate there are approximately 17,800 Class Members who collectively worked a total of nearly 4,500,000 Workweeks from the start of the Class Period to the date the Parties signed this Agreement. However, approximately 8,600 Class Members have participated in Defendants’ Individual Settlement Program, covering approximately 2,000,000 Workweeks-worth of claims.

Accordingly, there are approximately 9,200 Class Members, and 2,500,000 Workweeks, for which Defendants’ Individual Settlement Program has not secured releases.

Based on a review of its records to date, Defendants also estimate that there were approximately 13,800 Aggrieved Employees who worked approximately 1,572,000 Pay Periods from the start of the PAGA Period to the date the Parties signed this Agreement.

- 4.2. Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform work under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class 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 Class Data.
- 4.3. Funding of Gross Settlement Amount. Within 3 days after the Court granting Final Approval, the Settlement Administrator will provide Defendants with wire transfer information and the amount of employers’ share of payroll taxes. Defendants have already paid approximately \$2,186,598 to certain Class Members through their Individual Settlement Program. Defendants shall fully fund the amount of the Gross Settlement Amount remaining (*i.e.* \$9,913,402), and also fund the amounts necessary to fully pay Defendants’ share of payroll taxes by transmitting the funds to the Administrator no later than 20 days after the Administrator provides its wire transfer information and the amount of employers’ share of payroll taxes.
- 4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all

Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments

- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members 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. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members 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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or 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 Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits

or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount (including by paying any employer payroll taxes as allocated in Paragraph 3.4.1) and Judgment is final, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1. **Plaintiffs' Releases.** In consideration of their respective Service Payments, Class Member Payments, and the other terms and conditions of the Settlement, Plaintiffs Steven Leggins, Fernando Lopez, David Herrera and Alexander Hernandez hereby release any and all of their known and unknown claims against Defendants, and any of Defendants' present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Plaintiffs' Releases"). Plaintiffs Steven Leggins, Fernando Lopez, David Herrera and Alexander Hernandez understand and agree that this release includes a good-faith compromise of disputed wage claims.

- 5.1.1 **Plaintiffs' Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiffs' Releases, each 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 Participating Class Members.** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties of any and all claims that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the Class Period. This includes, but is not limited to, claims for statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief for violations of the California Labor Code, California Industrial Welfare Commission Wage Orders, and California Business and Professions Code § 17200, *et seq.* for the following categories of allegations, to the fullest extent such claims are releasable by law: (a) all claims for failure to pay wages, including overtime premium pay and the minimum wage; (b) all claims for the failure to provide meal and/or rest periods in accordance with applicable law,

including payments equivalent to one hour of the employee's regular rate of pay for missed meal and/or rest periods and alleged non-payment of wages for meal periods worked and not taken; (c) all claims for the alleged omission of any kind of remuneration when calculating an employee's regular rate of pay; (d) all claims for the alleged failure to indemnify and/or reimburse employees for any business expenses; and (f) any and all claims for recordkeeping or pay stub violations, claims for timely payment of wages and associated penalties, and all other civil and statutory penalties. The Class Members understand and agree that this release includes a good-faith compromise of disputed wage claims.

Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release of PAGA Claims. In consideration of the PAGA Settlement Amount, Plaintiffs Leggins, Lopez, Herrera, and Hernandez—on behalf of the State of California, the LWDA, and the Aggrieved Employees—release and discharge the Released Parties of any and all claims for civil penalties that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the PAGA Period.

All Participating and Non-Participating Class Members are therefore 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 civil penalties that (1) were alleged, or that reasonably could have been alleged based on the facts asserted, in the Operative Complaint and/or PAGA Notices, and/or (2) ascertained in the course of the Action, for the duration of the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklists for Preliminary Approvals.

- 6.1. Defendants' Declaration in Support of Preliminary Approval. Within 7 days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants 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, other than those noted in Paragraph 2.7 above.

- 6.2. Plaintiffs' Responsibilities.

6.2.1 Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of Class Action and PAGA Settlement; (iii) a draft proposed Class Notice; (iv) 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 Class 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 Class Members, and the nature and extent of any financial relationship with Plaintiffs, Class Counsel, or Defense Counsel; (v) a signed declaration from each of the Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members, as well as 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)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class 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, other than those noted in Paragraph 2.7 above.

6.2.2 Pursuant to the PAGA, Plaintiffs will also submit a copy of this Agreement, to the LWDA on the same day they file the Motion for Preliminary Approval. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void or avoid the Settlement under PAGA.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and

for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.

## **7. SETTLEMENT ADMINISTRATION.**

- 7.1. Selection of Administrator. The Parties have jointly selected Atticus Administration to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration 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. Notices to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United

States Postal Service (“USPS”) mail, the Class Notices substantially in the form attached to this Agreement as Exhibits A and B. The first page of the Class Notices shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods; and Requests for Exclusion will be extended an additional 14 days beyond the 30 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 30 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a

letter from a Class Member that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims belong to the State of California and are thus subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

However, any Non-Participating Class Member who negotiated the check representing his or her Individual Settlement Share will remain bound by his or her release of claims through Defendants' Individual Settlement Program.

- 7.6 Challenges to Calculations. Each Class Member shall have 30 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge whether he or she participated in the Individual Settlement Program by cashing or otherwise depositing the check representing their Individual Settlement Share, and/or the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the

Class Member in the Class Notice. For the avoidance of doubt, the Parties agree that Class Members who challenge whether they participated in the Individual Settlement Program by cashing or depositing the individual payment they received cannot use such a challenge to nullify their release of claims through the Individual Settlement Program. The Class Member may mount these challenges by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that (1) the Class Member did participate in the Individual Settlement Program; and/or (2) the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's participation in the Individual Settlement Program, as well as allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to Individual Settlement Program participation, as well as the calculation of Workweeks and/or Pay Periods, to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

#### 7.7 Objections to Settlement

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 30 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

7.8 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.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the

Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed; Class Notices returned undelivered; Requests for Exclusion (whether valid or invalid) received; objections received; challenges to Individual Settlement Program Participation, Workweeks, and/or Pay Periods received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek, Pay Period, and Individual Settlement Program Participation Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over their participation in the Individual Settlement Program, as well as the calculation of Workweeks and/or Pay Periods. In the event of such a dispute, Defendants will have the right to review Defendants’ payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Class Member, and Defendants, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Class Member, and non-appealable.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its

due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Calculations Prior to Disbursing Funds. Within 7 days after the Effective Date, the Settlement Administrator will provide Class Counsel and Defense Counsel with the following information for each Class Member: (a) whether the Class Member opted-out or objected to the Settlement; (b) the number of Workweeks used to calculate the Individual Class Payment or, alternatively, whether the Class Member participated in Defendants' Individual Settlement Program; (c) the number of Pay Periods use to calculate the Individual PAGA Payment, if any; (d) the amount of the Individual Class Payment; and (e) the amount of the Individual PAGA Payment.

7.8.7 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

7.8.8 Tax Obligations. The Settlement Administrator (and not Defendants) will remit all federal and state taxes owed by Defendants and will issue W2s and 1099s on all funds distributed.

8. **CLASS SIZE ESTIMATES.** Based on its records—and excluding the Class Members and Workweeks completely covered the *Hudson* Settlement—Defendants estimate that, as of the date of this Settlement Agreement, there are 17,800 Class Members and 4,500,000 Total Workweeks during the Class period. However, approximately 8,600 Class Members have participated in Defendants' Individual Settlement Program; covering approximately 2,000,000 Workweeks-worth of claims. Accordingly, there are 9,200 Class Members, and 2,500,000 Workweeks, for which Defendants' Individual Settlement Program has not secured releases.

Based on its records, Defendants also estimate that there were approximately 13,800 Aggrieved Employees who worked approximately 1,572,000 Pay Periods during the PAGA Period.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 3% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will—subject to Defendants' review and approval—file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
  - 10.1. **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
  - 10.2. **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph.
  - 10.3. **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.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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 an objector 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.

10.5 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 Class Members), 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 to obtain Final Approval 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 the Class Representative Service Payment or any payments to Class 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. Further, any release secured through the Individual Settlement Program will remain valid and binding notwithstanding an appellate decision to vacate, reverse, or modify the Judgment.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

## 12. **ADDITIONAL PROVISIONS.**

12.1. No Admission of Liability, Class Certification 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 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserves the right to

move for class certification on any grounds available and to contest Defendants' 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).

- 12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. 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.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, 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.

- 12.6 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.
- 12.7 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.
- 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, 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.
- 12.9 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.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 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.
- 12.12 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.
- 12.13 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.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants 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 date when the Court discharges the Administrator's obligation to provide a

Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.15 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.
- 12.16 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.
- 12.17 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  
Plaintiffs: **CLARK LAW GROUP**

c/o R. Craig Clark  
Alicja Urtnowski  
3258 Fourth Avenue  
San Diego, CA 92103

E-Mail:  
cclark@clarklawyers.com  
aurtnowski@clarklawyers.com

**RIGHETTI GLUGOSKI, P.C.**

c/o Matthew Righetti  
John Glugoski  
456 Montgomery St., Ste 1400  
San Francisco, CA 94104

E-Mail:  
matt@righettilaw.com  
jglugoski@righettilaw.com

**SETAREH LAW GROUP**

c/o Shaun Setareh  
William M. Pao  
315 South Beverly Drive, Ste 315  
Beverly Hills, CA 90212

E-Mail:  
william@setarehlaw.com  
shaun@setarehlaw.com

To  
Defendants: **GBG LLP**

c/o Elizabeth A. Brown  
Jennifer Svanfeldt  
633 W. 5<sup>th</sup> Street, Ste 3330  
Los Angeles, CA 90071

**PAUL HASTINGS LLP**

c/o Raymond W. Bertrand  
James P. de Haan  
4747 Executive Drive, 12 Flr.  
San Diego, CA 92121

E-Mail:  
lisabrown@gbgllp.com  
jensvanfeldt@gbgllp.com

E-Mail:  
raymondbertrand@paulhastings.com  
jamesdehaan@paulhastings.com

- 12.18 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. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.
- 12.19 Severability. If any provision of this Agreement is unenforceable, for any reason, the remaining provisions will nevertheless be of full force and effect, subject to the limitations set out in Paragraphs 6.4, 9, and 10.2 regarding the effect of disapproval, termination, modification or cancellation by the Court of any material term or condition of this Agreement.
- 12.20 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.

**PLAINTIFF STEVEN LEGGINS**

Signature:   
Steven Leggins (Apr 6, 2023 14:35 PDT)

Date: Apr 6, 2023

**PLAINTIFF FERNANDO LOPEZ**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**CLARK LAW GROUP**

R. Craig Clark (SBN 129219)

Alicja Urtnowski (SBN 321215)

*Attorneys for Plaintiffs Steven Leggins & Fernando Lopez*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

E-Mail:  
lisabrown@gbgllp.com  
jensvanfeldt@gbgllp.com

E-Mail:  
raymondbertrand@paulhastings.com  
jamesdehaan@paulhastings.com

- 12.18 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. Moreover, DocuSign, facsimile and scanned copies of signatures shall be accepted as valid and binding. Any electronic signatures shall be applied through DocuSign, and any signatory who opts to sign this Agreement electronically shall provide the DocuSign certificate for their electronic signature(s) to the other Parties.
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**PLAINTIFF STEVEN LEGGINS**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PLAINTIFF FERNANDO LOPEZ**

Signature:  \_\_\_\_\_  
Fernando Lopez (Apr 6, 2023 19:20 EDT)

Date: Apr 6, 2023

**CLARK LAW GROUP**

R. Craig Clark (SBN 129219)

Alicja Urtnowski (SBN 321215)

*Attorneys for Plaintiffs Steven Leggins & Fernando Lopez*

Signature:  \_\_\_\_\_

Date: April 7, 2023

**PLAINTIFF DAVID HERRERA**

Signature:   
ID G8WegpL3Ua2bo1Nn9soA44Mb

Date: 4/5/2023

**SETAREH LAW GROUP**

Shaun Setareh (SBN 204514)

William M. Pao (SBN 219846)

*Attorneys for Plaintiff David Herrera*

Signature: 

Date: April 7, 2023

**PLAINTIFF ALEXANDER HERNANDEZ**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**RIGHETTI GLUGOSKI, P.C.**

Matthew Righetti (SBN 121012)

John Glugoski (SBN 191551)

*Attorneys for Plaintiff Alexander Hernandez*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**DEFENDANT PACIFIC BELL TELEPHONE COMPANY**

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

**DEFENDANT AT&T SERVICES INC.**

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

**PLAINTIFF DAVID HERRERA**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**SETAREH LAW GROUP**

Shaun Setareh (SBN 204514)

William M. Pao (SBN 219846)

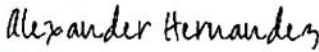
*Attorneys for Plaintiff David Herrera*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PLAINTIFF ALEXANDER HERNANDEZ**

Signature: \_\_\_\_\_

DocuSigned by:  
  
E0295B40226843E...

Date: 4/7/2023

**RIGHETTI GLUGOSKI, P.C.**

Matthew Righetti (SBN 121012)

John Glugoski (SBN 191551)

*Attorneys for Plaintiff Alexander Hernandez*

Signature: 

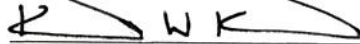
Date: 4/10/2023

**DEFENDANT PACIFIC BELL TELEPHONE COMPANY**

Print Name: Keith Korte

Date: 4/12/2023

Title: SVP - Field Operations

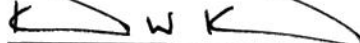
Signature: 

**DEFENDANT AT&T SERVICES INC.**

Print Name: Keith Korte

Date: 4/12/2023

Title: SVP - Field Operations

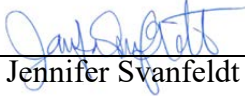
Signature: 

**GBG LLP**

Elizabeth A. Brown (SBN 235429)

Jennifer Svanfeldt (SBN 233248)

*Attorneys for Defendants Pacific Bell Telephone Company and AT&T Services, Inc.*

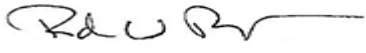
Signature:   
Jennifer Svanfeldt

Date: April 12, 2023

**PAUL HASTINGS LLP**

Raymond W. Bertrand (SBN 220771)

*Attorneys for Defendants Pacific Bell Telephone Company and AT&T Services, Inc.*

Signature:   
Raymond W. Bertrand

Date: April 11, 2023

## **Exhibit 7**



# POTTER HANDY, LLP

A Law Firm

100 Pine St., Ste 1250  
San Francisco, CA 94111

Jim Treglio, Esq.  
JimT@potterhandy.com  
Phone: (858) 375-7385  
Fax: (888) 422-5191

## James M. Treglio, Head of Class Action Division

**Practice Areas:** Consumer Class Actions, False Advertising, Unfair Competition, Wage and Hour Litigation, Background Check Cases, Data Breaches, Unlawful Recordings, Confidentiality of Medical Information Act, PAGA Representative Actions, Housing Discrimination

Admitted: 2003, California

**Biography:** Staff Attorney, Fair Housing Council of San Diego, 2003 – 2006, Associate, Clark & Markham LLP, 2006 to 2012, Associate Clark Law Firm 2012-2015, Partner, Clark & Treglio, 2015-2016, Associate, Keegan & Baker, LLP 2016-2018, Associate, Melmed Law Firm, P.C., 2018-2019, Head Attorney, Class Action Division, Potter Handy, LLP, ; Lecturer – Fair Housing Laws and Litigation Conference 2006.

**Education:** College of William and Mary (B.A., 1998), University of San Diego (J.D. 2003)

**Reported Cases:** *Steroid Hormone Product Cases*, 181 Cal.App.4th 145 (2010); *Mendoza v. Nordstrom, Inc.*, 2 Cal.5th 1074 (2017); *James Cunha v. Intellicheck, LLC, et al.*, 254 F.Supp.3d 1124 (N.D. Cal. 2017); *Brinkley v. Monterey Financial Services, Inc.* 873 F.3d 1118 (9<sup>th</sup> Cir. 2017).

## Class Action Experience

*Aguilera v. Eagle Systems International, d/b/a Synergy Companies* (Lead) - Settled  
Alameda County Superior Court, Case No. RG14742927

Nature of the Case: Unfair Competition- Failure to Pay Wages, Failure to Pay Overtime Compensation, Failure to Reimburse for Business Expenses, Failure to Provide Waiting Time Penalties, Failure to Provide Meal and Rest Breaks, Unfair Competition

*Alvarado v. Lewis Operating Co.* (Co-Counsel) - In Litigation  
Sacramento Superior Court, Case No. 34-2014-00159707

Nature of the Case: Unfair Competition- Failure to Pay Wages Owed, Unfair Competition, PAGA

*Anderson v. Oracle Corporation* (Co-counsel) – Settled  
San Mateo Superior Court, Case No. CIV469916

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Andreas v. Lowe's HIW, Inc. (Lead associate) – Settled  
United States District Court for the District of Nevada, Case No. 3:07-CV-253  
Nature of the Case: Unpaid Overtime

In Re Androstendiol Cases (lead associate) – Settled  
Los Angeles Superior Court, JCCP 4363,  
Nature of the Case: Unfair Competition-: Deceptive Advertising, CLRA, Unfair  
Competition Law

Arellano v. Kellermeyer (lead) - Settled  
United States District Court for the Southern District of California, Case No. No. 13-cv-  
00533-BAS (BGS)  
Nature of the Case: Unfair Competition- Unpaid Overtime, Meal and Rest Breaks,  
Failure to Itemize Wage Statements, Waiting Time Penalties

Bello v. Proctor & Gamble (lead) - Settled  
United States District Court for the Central District of California, Case No. 8:12-cv-  
01583  
Nature of Case: Unfair Competition, Unpaid Meal and Rest Breaks, Failure to Reimburse  
Business Expenses

Bennie v. Lowe's HIW, Inc. (Lead) – Settled  
United States District Court for the Central District of California, SACV08-00576 DOC  
Nature of the Case: Unfair Competition – Failure to Provide a Day of Rest

Bloomquist v. Covance, Inc. (Associate) – In Litigation  
San Diego Superior Court, Case No. 37-2016-00026455-CU-OE-CTL  
Nature of Case: Misclassification of clinical research associates, unpaid overtime, missed  
meal and rest periods, unitemized wage statements

Brinkley v. Monterey Financial Services, Inc. – In Litigation  
United States District Court, Southern District of California, Case No. 16-cv-1103-WQH-  
WVG  
Nature of Case: Unlawful recording of phone calls

Bulisco v. Mosaic Solutions (Associate) - Settled  
Orange County Superior Court, Case No. 30-2011-00047600-CU-OE-CXC  
Nature of the Case: Unfair Competition- Failure to Pay Wages Owed, Provide Meal and  
Rest Breaks, Failure to Itemize Wage Statements, Failure to Reimburse for Business  
Expenses, Split Shifts, Timely Pay Upon Termination.

Cunha, et al., v. Intellicheck, et al. (Lead Associate) - Settled  
United States District Court, Northern District of California, Case No.17-cv-00597-JST  
Nature of Case: FCRA Violations connected with background checks.

Cohen v. Lowes HIW, Inc. (Lead Associate) - Settled

United States District Court, Central District of California, SACV 10-00425-CJC  
(MLGx)

Nature of Case: Unfair Competition- Failure to Itemize Wage Statements, Unlawful Deductions

Cones v. Parexel International Corporation (Lead Associate) -- Settled

United States District Court, Southern District of California, Case No. 16cv3084 L (BGS)

Nature of Case: Unfair Competition: misclassification as salaried employees, overtime, meal periods, rest periods, wage statements.

Connell v. Sun Microsystems, Inc. (Co-Counsel) – Settled

Alameda Superior Court, RG06252310

Nature of Case: Unfair Competition – Unpaid overtime related to misclassification as salaried employees, unpaid overtime, meal periods, rest periods, etc.

Contreras v. Bank of America, N.A., (Lead Associate) - Settled

San Francisco Superior Court, Case No. CGC-07-467749

Nature of Case: Unfair Competition- Failure to Pay Overtime, Unreimbursed Business Expenses

Corona v. Airtouch Wireless d/b/a Verizon Wireless (Lead) - Settled

Los Angeles Superior Court, Case No. BC467679

Nature of the Case: Unfair Competition, Unpaid Wages and Vacation Time

Cota v. Countrywide Securities, et al. (Lead Associate) – Settled

Los Angeles County Superior Court, BC388005

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Decarr v. Harvest Management (Associate) - Settled

Santa Clara Superior Court, Case No. 109CV153466

Nature of Case: Unfair Competition- Unpaid Overtime and Meal And Rest Breaks

Del Valle v. LA Fitness (Lead Associate) - Settled

Los Angeles Superior Court, Case No. BC438654

Nature of Case: Unfair Competition- Failure to Pay Overtime, Meal and Rest Breaks, Reimburse Expenses, Split Shifts

Estrella v. Freedom Debt Relief (Associate) – Settled

United States District Court for the Central District of California, Case No. CV 09–03156  
SI

Nature of Case: Unfair Competition – Unlawful Business Practices

Evans v. Walmart (Co-Counsel)- Settled

United States District Court, District of Nevada, Case No. 2:10-CV-1224-JCM-JCL

Nature of Case: Unfair Competition- Failure to Pay Overtime

Fjeld v. Penske (Lead) - Settled

United States District Court for the Central District of California, Case No. CV 12–3500–GHK (JCGx).

Nature of the Case: Unfair Competition- Unpaid Wages, Overtime, Meal and Rest Breaks, and to Itemize Pay

Fontes v. Heritage Propane (Lead) - Settled

United States District Court, Southern District of California, Case No.: 14cv1413-MMA (NLS): 14cv1413-MMA (NLS)

Nature of the Case: False Advertising, Unfair Competition

Friedlander v. Hot Topic (Lead) -Settled

Los Angeles Superior Court, Case No. BC520319

Nature of the Case: Failure to Reimburse Business Expenses, Failure to Provide Meal and Rest Periods, Failure to Pay Overtime, Unfair Competition

Fuzell v. Hallmark Marketing Corporation (Co-Counsel) – Settled

United States District Court, Central District of California, Case No. CV08-04342 VBF (Ex)

Nature of Case: Unfair Competition – Unpaid time, Unreimbursed Expenses

Gandara v. Nestle Purina (Co-Counsel) - Settled

United States District Court, Northern District of Illinois, Case No. 1:12-cv-02871

Nature of the Case: Unfair Competition, Consumers Legal Remedies Act

Gutierrez v. Johnson & Johnson (Lead) – In Litigation

United States District Court, Southern District of California, Case No. 3:19-cv-01345-DMS-AGS

Nature of Case: Unfair competition, false advertising, CLRA.

Gruender v. First American Title Company (Lead Associate) – Settled

Orange County Superior Court, Case No. 06CC00197

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Guy v. Toys R Us, Inc., et al., (Lead Associate) – In Bankruptcy

United States District Court, Southern District of California, Case No.: 16-CV-2224-AJB-JMA

Nature of Case: Unreimbursed business expenses, unpaid vacation time upon termination, unfair competition, PAGA.

Harrington v. Professional Security Consultants (Lead) -Settled

Los Angeles Superior Court, BC538101

Nature of the Case: Failure to Pay Waged Owed, Unfair Competition, PAGA

Hill v. Chicos, Inc., (Lead) - Settled

San Mateo Superior Court, Case No. CIV 522758

Nature of Case: Unfair Competition- Failure to Reimburse Business Expenses

Johnson v. Metlife (Co-Counsel)- Settled

United States District Court, for the Central District of California, Case No. SACV 13-128-JLS (RNBx)

Nature of the Case: Unfair Competition, Unpaid Wages, Overtime, Meal and Rest Breaks

Jones v. Wal-Mart (Co-Counsel)- Settled

United States District Court, Central District of California, Case No. SACV 13-128-JLS (RNBx).

Nature of the Case: Unfair Competition, Failure to Pay Wages Owed, Overtime, and to Itemize Pay Statements

Lizarraga v. CBC Restaurant Corp. (Lead Associate) - Settled

Orange County Superior Court, Case No. 30-2008-00233464

Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Mendoza v. Nordstrom (Lead) - Settled

United States District Court, Central District of California, Case No.: SACV 10-00109-CJC(MLGx)

Nature of Case: Unfair Competition- Working 7 or More Consecutive Days, Split Shifts

Miller v. RP On-Site, LLC, et al. (Lead) – In Litigation

United States District Court, Northern District of California, Case No.5:19-cv-02114-LHK

Nature of Case: Unfair Competition – Background Checks

Miller v. Wellpoint Companies, Inc. (Associate) – Settled

United State District Court, Central District of California, Case No. 09-5666 GW (RCX)

Nature of Case: Payment by way of out-of-state checks.

Minor v. Barnes & Noble, Inc. (Lead Associate) - Settled

Alameda County Superior Court, Case No. RG09450216

Nature of Case: Unfair Competition- PAGA Claim for Paying With Out of State Check

Mitre v. Smart & Final (Lead) - Settled

Santa Clara Superior Court, Case No. 113CV241954

Nature of the Case: Unfair Competition, Failure to Reimburse Business Expenses

Murry v. Kellogg Sales Company (Lead) - Settled

Los Angeles Superior Court, Case No. BC411211

Nature of Case: Unfair Competition- Misclassification, Certified for Unitemized Wage Statements

Owen v. Robinson's May (Lead Associate) – Settled  
Los Angeles County Superior Court, Case No. BC355629  
Nature of the Case: Unfair Competition – Failure to Pay Vacation Accrued

Padilla v. Kraft Foods Global, Inc., (Lead Associate) – Settled  
Orange County Superior Court, 07CC00009  
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Pearce v. SBC Advanced Solutions, Inc., (Lead Associate) – Settled  
United States District Court, Central District of California Case No. 8:07-cv-00450  
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Ramirez v. Wells Fargo N.A., (Co-Counsel)-Settled  
Alameda County Superior Court, Case No. RG1046146  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks, Off the Clock

Richie v. Blue Shield (Lead) - Settled  
United States District Court, Northern District of California, Case No. C-13-2693  
Nature of the Case: Failure to Reimburse Business Expenses, Failure to Pay Overtime Compensation, Unfair Competition

Rondone v. Orchard Supply Hardware Stores Corporation (Associate) - Settled  
Santa Clara Superior Court, Case No. 110CV164041  
Nature of Case: Unfair Competition- Failure to Pay Overtime and Meal and Rest Breaks

Rose v. Lincare, Inc., (Co-Counsel) - Settled  
San Francisco Superior Court, Case No. CGC07-465052  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Rosenloev v. 24 Hour Fitness (Lead) - Settled  
Orange County Superior Court, Case No. 30–2009–00180140  
Nature of Case: Unfair Competition- Split Shifts, Commission Theft, Failure to pay Missed Meal, Periods, Off the Clock

Santana, et al., v. Rady Children's Hospital-San Diego, (Lead Associate) – Settled  
San Diego Superior Court, Case No. 37-2014-00022411-CU-MT-CTL  
Nature of Case: Unfair Competition – Disclosure of medical information

Schwegmann, et al., v. Hill's Pet Nutrition, et al. (Co-Counsel) – In Litigation  
United States District Court, District of Kansas, Case No. 2:19-cv-02149-JAR-TJJ, MDL 2887  
Nature of Case: Unfair Competition/CLRA – Sale of pet food containing too much or too little vitamin D.

Scott v. Pro's Choice Beauty (Lead Associate) – Settled  
United States District Court, Northern District of California, Case No. 3:2008-cv-04697  
Nature of Case: Unfair Competition – Unpaid time, Unreimbursed Expenses

Sparks v. ADP (Lead Associate) – Settled  
United States District Court, Central District of California, Case No. 2:2007-cv-03203  
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Stoba v. Saveology, LLC, (Lead Associate) – Settled  
United States District Court, Case No. 13cv2925 BAS (NLS)  
Nature of Case: Unlawful recording

Stowe v. The Pep Boys Manny Moe & Jack of California (Lead) - Settled  
Los Angeles County Superior Court, Case No. BC520550  
Nature of Case: Unfair Competition, Failure to Reimburse Business Expenses

Tan v. Sutter Health, (Co-Counsel) - Settled  
Alameda County Superior Court, Case No. RG12622057  
Nature of the Case: Unfair Business Practices, Failure to Pay Overtime, Provide Meal and Rest Breaks, Itemize Wage Statements, PAGA

Tarango v Ajilon Communications (Lead Associate) - Settled  
Los Angeles Superior Court, Case No. BC423185  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Thomas v. Avis Budget- Settled  
United States District Court, Central District of California, Case No. CV 08-7397 AHM (AJWx)  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Trujillo v. Party City (Associate) - Settled  
Santa Clara Superior Court, Case No. 109CV149665  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Valenzuela v. Affiliated Computer Systems (Lead) - Settled  
Los Angeles Superior Court, Case No. BC431884  
Nature of Case: Unfair Competition- Failure to Pay Wages When Due Through Debit Card

Valles v. International Business Machines Corporation (Lead Associate) - Settled  
United States District Court, Central District of California, Case No. SACV 09–202 AG (MLGx).  
Nature of Case: Unfair Competition- Misclassification

Victorio v. Modis, Inc., et al. (Lead) – Settled  
United States District Court, Northern District of California Case No. 5:19-cv-01713-VKD

Nature of Case: Unfair Competition – FCRA violations.

Viloria v. Stewart Title Company (Co-Counsel) – Settled  
Fresno Superior Court, Case No. 07 CE CG 01735 AMC  
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Wright v. Home Depot (Co-Counsel) – Settled  
Orange County Superior Court, 20-2008-000548814  
Nature of Case: Unfair Competition – Meal and Rest Breaks

Yanez v. Care 1<sup>st</sup> Health Plan (Lead Associate) – Settled  
Los Angeles Superior Court, Case No. BC470122  
Nature of Case: Unfair Competition – Unlawful disclosure of medical information