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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN MATEO

HARRISON BOMTEMPO, individually, and on
behalf of other members of the general public
similarly situated and on behalf of other aggrieved
employees pursuant to the California Private
Attorneys General Act;

Plaintiff,

vs.

K1 SPEED, INC., a Delaware corporation; and
DOES 1 through 100, inclusive,

Defendants.

Case No. 22-CIV-03134

CLASS ACTION

**[FURTHER REVISED PROPOSED]
ORDER GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Complaint Filed: August 2, 2022
FAC Filed: June 28, 2024
Trial Date: None Set

[FURTHER REVISED PROPOSED] PRELIMINARY APPROVAL ORDER

The Court, having considered Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement, the accompanying Memorandum of Points and Authorities, the supporting Declarations of Class Counsel and Plaintiff Harrison Bomtempo ("Plaintiff"), and good cause appearing,

HEREBY ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:

1. The Court grants preliminary approval of the proposed Settlement and the Class based upon the terms set forth in the Joint Stipulation of Class Action and Private Attorney General Act ("PAGA") Settlement Agreement and Release (the "Settlement") attached as **Exhibit 1** to the Declaration of Elizabeth Parker-Fawley in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement. The Court finds, on a preliminary basis, that the Settlement appears to be fair, adequate, and reasonable, and thus, meets the requirements for preliminary approval. The Court also preliminarily finds that the terms of the Settlement appear to be within the range of possible approval, pursuant to California Code of Civil Procedure, section 382 and applicable law.

2. The Settlement falls within the range of reasonableness of a settlement which could ultimately be given final approval by this Court, and appears to be presumptively valid, subject only to any objections that may be raised before and/or at the Final Approval Hearing and final approval by this Court. The Court notes that Defendant K1 Speed, Inc. ("Defendant") (together with Plaintiff, the "Parties") agrees to create a common, non-reversionary gross fund of \$1,495,000.00 (the "Maximum Settlement Amount"), to cover (a) Settlement Shares to Participating Class Members; (b) Settlement Administration Costs of up to \$22,000.00; (c) PAGA Penalties of \$150,000.00 for settlement of claims for civil penalties under the Private Attorneys General Act, Labor Code, sections 2698, *et seq.* ("PAGA"), and distributed as 25% (\$37,500.00) to PAGA Employees and 75% (\$112,000.00) to the California Labor and Workforce Development Agency (the "LWDA"); (d) the Class Representative Service Award up to \$7,500.00 to Plaintiff; and (e) attorneys' fees to Class Counsel of up to thirty-five percent of the Maximum Settlement Amount (currently estimated to be \$523,250.00) and litigation costs and expenses to Class Counsel for reimbursement of litigation expenses up to \$19,000.00 ("Class Counsel Fees and Expenses"). The Defendant is separately responsible for the payroll taxes owed on

1 the wage portions of the Settlement Shares to the Participating Class Members.

2 3. The Court finds on a preliminary basis that: (1) the settlement amount is fair and
3 reasonable to the Class Members when balanced against the probable outcome of further litigation
4 relating to class certification, liability and damages issues, and potential appeals; (2) significant formal
5 and informal discovery, investigation, research, and litigation have been conducted such that counsel
6 for the respective Parties at this time are able to reasonably evaluate their respective positions; (3)
7 settlement at this time will avoid substantial costs, delay, and risks that would be presented by the
8 further prosecution of the litigation; and (4) the proposed Settlement has been reached as the result of
9 serious, informed, adversarial, and arms-length negotiations between the Parties. Accordingly, the
10 Court preliminarily finds that the Settlement was entered into in good faith and meets the requirements
11 for preliminary approval.

12 4. A final approval hearing on the question of whether to approve the proposed
13 Settlement, Class Counsel Fees and Expenses, Settlement Administration Costs, the PAGA Penalties,
14 and the Class Representative Service Award is hereby set in accordance with the Implementation
15 Schedule set forth below.

16 5. The Court provisionally certifies, for settlement purposes only, the following class
17 (“Class Members”): All current and former non-exempt employees in California of Defendant during
18 the Class Period. The “Class Period” means the period from August 2, 2018 through February 24, 2024.
19 Excluded from the Class will be any Class Member who sends the Settlement Administrator a timely
20 and valid written request seeking to opt-out of the Settlement.

21 6. “PAGA Employees” shall be all current and former non-exempt employees of
22 Defendant in the state of California employed at any time during the PAGA Period. The “PAGA Period”
23 means the period from May 26, 2021 through February 24, 2024.

24 7. Release of Claims.

25 The release provisions of the settlement, as set forth below, are provisionally approved:

- 26 a. Released Parties. “Released Parties” means Defendant, its parent, affiliates and
27 subsidiaries, and each of their company-sponsored employee benefit plans, and their
28 respective successors and predecessors in interest, all of their respective officers, directors,

employees, administrators, fiduciaries, trustees and agents, and each of their past, present and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and attorneys.

- b. Release of Class Claims by Participating Class members. Upon the Effective Date, and full funding of the entire Maximum Settlement Amount, Plaintiff and all Participating Class Members waive, release and discharge the Released Parties of any and all Released Class Claims for the Class Period. “Released Class Claims” means all claims for violations of the Labor Code , that were actually alleged or that could have been alleged in the Action, including the Operative Complaint, on behalf of the Class Members for the entire Class Period, as well as any and all wage and hour claims and that were asserted or could have been asserted based on the factual or legal allegations contained in Plaintiff’s Operative Complaint in the consolidated actions, arising at any time during the Class Period, including: (a) failure to pay wages including overtime and minimum wage for all hours worked; (b) failure to provide meal periods or pay a premium in lieu thereof; (c) failure to provide rest periods or pay a premium in lieu thereof; (d) failure to timely pay wages during employment and at termination; (e) failure to provide accurate wage statements; (f) failure to indemnify for necessary business expenses; (g) failure to keep required records; (h) unfair business practices (Business and Professions Code, sections 17200, *et seq.*); (i) claims for violation of the provisions of Wage Order 10 regarding the same; (j) claims for the attorney’s fees and costs incurred in the prosecution of this Action on behalf of the Class Members; (k) any other claims, remedies, penalties, or interest that could have been plead based on the facts alleged in the Complaints filed in the Action; and (l) all claims that Plaintiff, the Class Members may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney’s fees and costs to Plaintiff’s Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiff’s Payment pursuant to this Settlement Agreement. The release of the Released Class Claims shall be effective as to the entire Class Period. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination,

1 violation of the Fair Employment and Housing Act, unemployment insurance, disability,
2 social security, workers' compensation, and California class claims outside of the Class
3 Period. Participating Class Members may discover facts in addition to those they now
4 know or believe to be true with respect to the subject matter of the Released Class Claims,
5 but upon the Effective Date, Participating Class Members shall be deemed to have, and by
6 operation of the Judgment shall have, fully, finally, and forever settled and released any
7 and all of the Released Class Claims, without regard to the subsequent discovery or
8 existence of such different or additional facts. Participating Class Members agree not to
9 sue or otherwise make a claim against any of the Released Parties that seeks recovery for
10 any of the Released Class Claims. It is the intent of the Parties that the Judgment entered
11 by the Court shall have full *res judicata* effect and be final and binding upon Participating
12 Class Members regarding the Released Class Claims.

- 13 c. Complete and General Release by Class Representative. Plaintiff understands that he may
14 hereafter discover facts in addition to or different from those Plaintiff now knows or
15 believes to be true with respect to the subject matter of the Released Class Claims, but upon
16 the Effective Date, shall be deemed to have, and by operation of the contemplated final
17 judgment shall have, fully, finally, and forever settled and released any and all of the
18 Released Class Claims, as well as any other known or unknown, suspected or unsuspected,
19 contingent or non-contingent claims, which now exist, or heretofore have existed, upon
20 any theory of law or equity now existing, including, but not limited to, conduct that is
21 negligent, intentional, with or without malice, or a breach of any duty, law or rule, without
22 regard to the subsequent discovery or existence of such different or additional facts. In
23 exchange for the consideration provided to Plaintiff under the Settlement, he shall, waive
24 any and all rights Plaintiff may have under Civil Code, section 1542. Section 1542 reads
25 as follows: "A general release does not extend to claims that the creditor or releasing party
26 does not know or suspect to exist in his or her favor at the time of executing the release and
27 that, if known by him or her, would have materially affected his or her settlement with the
28 debtor or released party." Plaintiff understands that he is providing a general release of

known and unknown claims to Defendant that is effective when the Court grants final approval of the Settlement and Defendant funds the Settlement.

d. Release of PAGA Claims by State of California and PAGA Employees. Upon the date Defendant fully funds the Maximum Settlement Amount, Defendant and the other Released Parties shall be entitled to a release from the Plaintiff, the State of California, and all PAGA Employees with respect to the Released PAGA Claims which occurred during the PAGA Period. “Released PAGA Claims” means all claims for the recovery of civil money penalties for violations of the following Labor Code sections alleged in the Operative Complaint, and/or Plaintiff’s PAGA letter: 201-203, 204, 226, 226.3, 226.7, 510, 512, 516, 551, 552, 558, 1174, 1194, 1197, 1197.1, 1198, 2698 et. seq., 2800, 2802, sections 3, 4, 7, 11 and 12 of Wage Order 10 or any other applicable Wage Order. The release of the Released PAGA Claims shall be effective as to the entire PAGA Period. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Plaintiff, the state of California and the PAGA Employees regarding the Released PAGA Claims.

8. The Court, for purposes of this Preliminary Approval Order, hereby refers to and adopts all terms and definitions as set forth in the Settlement.

9. The Court finds, for settlement purposes only, that the Class meets the requirements for certification under California Code of Civil Procedure, section 382 in that: (1) the Class is so numerous that joinder is impractical; (2) there are questions of law and fact that are common, or of general interest, to all Class Members, which predominate over individual issues; (3) Plaintiff’s claims are typical of the claims of the Class Members; (4) Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class Members; and (5) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

10. The Court appoints, for settlement purposes only, Plaintiff as the “Class Representative.” The Court approves, on a preliminary basis, payment of a Class Representative Service Award to Plaintiff of up to \$7,500.00 from the Maximum Settlement Amount, in addition to the amount he is eligible to receive as a Class Member, for his contributions and participation in the litigation, for

1 the risks and duties attendant to his role as the Class Representative, and for his general release of claims
2 against the Released Parties. To the extent the final amount awarded is less, the remainder will be
3 retained in the Net Settlement Amount for distribution to Participating Class Members.

4 11. The Court appoints, for settlement purposes only, Plaintiff's Counsel Arby Aiwarzian,
5 Joanna Ghosh, Elizabeth Parker-Fawley, and Ryan Slinger of Lawyers for Justice, PC as "Class
6 Counsel." The Court approves, on a preliminary basis, Class Counsel's ability to request attorneys' fees
7 of up to thirty-five percent of the Maximum Settlement Amount (currently estimated to be
8 \$523,250.00), as well as reimbursement for actual costs not to exceed \$19,000.00, payable from the
9 Maximum Settlement Amount. To the extent actual costs are less and/or the final amounts awarded for
10 fees and/or costs are less, the remainder will be retained in the Net Settlement Amount for distribution
11 to Participating Class Members.

12 12. The Court appoints ILYM Group, Inc. as the "Settlement Administrator" with payment,
13 payable from the Maximum Settlement Amount, for settlement administration costs not to exceed
14 \$22,000.00, except upon a showing of good cause and as approved by the Court. To the extent
15 settlement administration costs are less, the remainder will be retained in the Net Settlement Amount
16 for distribution to Participating Class Members.

17 13. The Settlement Administrator shall perform services and duties as provided for in the
18 Settlement, including, but not limited to, mailing the Class Notice via first-class U.S. Mail, in English
19 and Spanish, to Class Members. Class Members shall not be required to submit a claim form to receive
20 individual settlement payments.

21 14. The Court approves the Class Notice in substantially similar form and content as is
22 attached hereto and to the Settlement Agreement as **Exhibit A**. The Court finds, on a preliminary basis,
23 that the plan for distribution of the Class Notice satisfies due process, provides the best notice
24 practicable under the circumstances, and constitutes due and sufficient notice to all persons entitled
25 thereto.

26 15. The obligations set forth in the Settlement are deemed part of this Preliminary
27 Approval Order, and the Parties and Administrator are ordered to carry out the Settlement according
28 to its terms and provisions.

16. The Court orders the following Implementation Schedule:

Defendant to provide the Settlement Administrator with the Class Data List	Within 14 calendar days after entry of this Preliminary Approval Order
Settlement Administrator to mail the Class Notice	Within 14 calendar days after receiving the Class Data List from Defendant
Response Deadline for Class Members	Within 60 calendar days after the Settlement Administrator mails the Class Notice (extended by 15 calendar days for any re-mailed initial Class Notices)
Last Day to File a Motion For Final Settlement Approval	At least 16 court days before the Final Approval Hearing
Final Approval Hearing	February 19, 2025, at 2:00 p.m. or on _____ at _____.

17. The Court reserves the right to continue the date of the Final Approval Hearing without further notice to Class Members.

18. The Settlement is preliminarily approved but is not an admission by Defendant of the validity of any claims in this class action, or of any wrongdoing by Defendant or of any violation of law. Neither the Settlement nor any related document shall be offered or received in evidence in any civil, criminal, or administrative action or proceeding other than as may be necessary to consummate or enforce the Settlement.

IT IS SO ORDERED.

DATED: _____

THE HONORABLE NICOLE HEALY
Judge of the Superior Court, San Mateo County

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Harrison Bomtempo v. K1 Speed, Inc.
Superior Court of California for the County of San Mateo, Case No. 22-CIV-03134
Harrison Bomtempo v. K1 Speed, Inc.
Superior Court of California for the County of San Mateo, Case No. 22-CIV-03135

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because K1 Speed, Inc.'s ("Defendant") records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the class settlement, your legal rights may be affected.

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

YOU ARE NOTIFIED THAT: A class action and Private Attorneys General Act ("PAGA") settlement has been reached between Plaintiff Harrison Bomtempo ("Plaintiff") and Defendant K1 Speed, Inc. ("Defendant") (together, the "Parties") in the cases entitled *Harrison Bomtempo v. K1 Speed, Inc.*, San Mateo County Superior Court, Case No. 22-CIV-03134 ("Class Action") and *Harrison Bomtempo v. K1 Speed, Inc.*, San Mateo County Superior Court, Case No. 22-CIV-03135 ("PAGA Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the Settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former non-exempt employees in California of Defendant during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the time period from August 2, 2018 through February 24, 2024.

"Class Settlement" means the settlement and resolution of the Released Class Claims (described in Section III.D below).

"PAGA Employees" means all current and former non-exempt employees of Defendant in the State of California employed at any time during the PAGA Period.

"PAGA Settlement" means the settlement and resolution of the Released PAGA Claims (described in Section III.D below).

"PAGA Period" means the time period from May 26, 2021 through February 24, 2024.

II. BACKGROUND OF THE ACTION

On May 26, 2022, Plaintiff provided written notice to the Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that he contends were violated ("PAGA Letter").

On August 2, 2022, Plaintiff filed a Class Action Complaint for Damages in the San Mateo County Superior Court, Case No. 22-CIV-03134 against Defendant.

On August 2, 2022, Plaintiff also filed a separate Complaint for Enforcement Under the Private Attorneys General Act ("PAGA"), California Labor Code, sections 2698, *et seq.* in San Mateo County Superior Court, Case No. 22-CIV-03135.

On June 28, 2024, Plaintiff filed a First Amended Consolidated Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code, sections 2698, *et seq.* ("Operative Complaint"),

consolidating the Class Action and the PAGA Action.

Plaintiff alleges that Defendant violated the California Labor Code by failing to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, and reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code, sections 17200, *et seq.*, and engaged in conduct that gives rise to civil penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all the allegations in the Operative Complaint or that they violated any law.

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

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Harrison Bomtempo as representative of the Class ("Class Representative"), and the following counsel as counsel for the Class ("Class Counsel"):

Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Ryan Slinger, Esq.
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

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

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Operative Complaint have merit or that Defendant has any liability to Plaintiff, Class Members, the State of California, and/or PAGA Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, PAGA Employees, and the State of California. The Court has made no ruling on the merits of the claims asserted in the Operative Complaint and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The maximum settlement amount is One Million Four Hundred Ninety-Five Thousand Dollars (\$1,495,000.00) (the "Maximum Settlement Amount"). The portion of the Maximum Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount, less the following payments which are subject to approval by the Court: (1) Class Counsel fees in an amount not to exceed 35% of the Maximum Settlement Amount (i.e., up to \$523,250.00) and reimbursement of litigation costs and expenses, in an amount not to exceed Nineteen Thousand Dollars and No Cents (up to \$19,000.00) (together, "Class Counsel Fees and Expenses") to Class Counsel; (2) Class Representative Service Award in an amount not to exceed Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) to Plaintiff for his services in the Actions ("Class Representative Service Award"); (3) Settlement Administration Costs in an amount not to exceed Twenty-Two Thousand Dollars and No Cents (\$22,000.00) to the Settlement Administrator ("Settlement Administration Costs"); and (4) the amount of One Hundred

Questions? Please call: [settlement administrator's 800-number]

Fifty Thousand Dollars (\$150,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Penalties”). The PAGA Penalties will be distributed 75% (i.e., \$112,500.00) to the Labor and Workforce Development Agency (“LWDA”) (“LWDA Payment”) and the remaining 25% (i.e., \$37,500.00) will be distributed to PAGA Employees.

Class Members shall be entitled to payment of a *pro rata* portion of the Net Settlement Amount (“Settlement Share”). The amount that each Class Member shall be eligible to receive under the Settlement shall be determined by converting the Class Employee Fund into a Pay Period Value. The Pay Period Value will be established by dividing the Class Employee Fund by all Pay Periods for the Participating Class Members based on pay checks issued during the Class Period. The Estimated Individual Settlement Share for each Class Member will be determined by multiplying the Pay Period Value by each Class Member’s individual number of Pay Periods. (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Participating Class Members”) will be issued their payment of their final Individual Settlement Payment. PAGA Employees shall be issued payment of their Individual PAGA Settlement Share regardless of whether they request exclusion from (opt out of) the Class Settlement.

Each Individual Settlement Share will be allocated as fifteen percent (15%) wages, which will be reported on an IRS Form W-2, and eighty-five percent (85%) penalties, interest, and non-wage damages, which will be reported by the Settlement Administrator on an IRS Form 1099. Each Settlement Share shall be subject to reduction for the employee’s share of payroll taxes due on the wages portion of that employee’s Settlement Share. The employer’s share of payroll taxes and contributions in connection with the wages portion of the Settlement Shares will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Fund (“Individual PAGA Settlement Share”). The amount that each PAGA Employee shall be eligible to receive will be determined by the PAGA Pay Period Value. The PAGA Pay Period Value will be established by dividing the PAGA Employee Fund by all PAGA Pay Periods for the PAGA Employees. The Individual PAGA Settlement Share for each PAGA Employee will be determined by multiplying the PAGA Pay Period Value by each PAGA Employee’s individual PAGA Pay Periods. (which is listed in Section III.C below).

Each Individual PAGA Settlement Share will be allocated as one hundred percent (100%) penalties, which will be reported by the Settlement Administrator on an IRS Form 1099 (if applicable).

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

B. Your Pay Periods Based on Defendant's Records

According to Defendants’ records:

During the Class Period (i.e., from August 2, 2018 to February 24, 2024), you are credited as having worked [] Pay Periods, as a Class Member.

During the PAGA Period (i.e., from May 26, 2021 to February 24, 2024), you are credited as having worked [] Pay Periods, as a PAGA Employee.

You are a Class Member if you worked as a non-exempt employee for Defendant in California at any time during the period from August 2, 2018 to February 24, 2024, and you are a PAGA Employee if you worked as a non-exempt employee for Defendant in California at any time during the period from May 26, 2021 to February 24, 2024. Accordingly, some people will be Class Members only, while others will be Class Members and PAGA Employees. Please reference the amount of Pay Periods you are credited with as a Class Member and as a PAGA Employee above to determine whether you are a Class Member or a Class Member and a PAGA Employee. If you are not credited with any Pay Periods as a PAGA Employee, then based on Defendant’s records, you did not work during the PAGA Period and are not entitled to a PAGA Payment.

If you wish to dispute the Pay Periods credited to you, you may submit a written dispute that must: (a) contain your full name, address, and the last four (4) digits of your Social Security number; (b) be signed by you (c) reference the Class Action by its name and case number; (d) contain a statement clearly indicating that you dispute the number of Pay Periods credited to you and what you contend is the correct number to be credited to you; (e) attach supporting documentation, if

Questions? Please call: [settlement administrator’s 800-number](#)

any, that you may have. The Pay Period dispute must be postmarked **no later than [Response Deadline]**.

C. Your Estimated Settlement Share and/or Individual PAGA Settlement Share

As explained above, your estimated Settlement Share and/or Individual PAGA Settlement Share is based on the number of Pay Periods credited to you.

Under the terms of the Settlement, your Settlement Share is estimated to be \$ [redacted]. The Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Settlement Share.

Under the terms of the Settlement, your Individual PAGA Settlement Share is estimated to be \$ [redacted].

The settlement approval process may take multiple months. Your Settlement Share and/or Individual PAGA Settlement Share (if applicable) reflected in this Class Notice is only an estimate. Your actual Settlement Share and/or Individual PAGA Settlement Share (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

D. Released Claims

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff and all Participating Class Members waive, release and discharge Released Parties of any and all Released Class Claims that arose during the Class Period.

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiff, the State of California with respect to PAGA Employees, and all PAGA Employees, waive, release and discharge Released Parties of any and all Released PAGA Claims that arose during the PAGA Period.

“Released Class Claims” means all claims for violations of the Labor Code, that were actually alleged or that could have been alleged in the Action, including the Operative Complaint, on behalf of the Class Members for the entire Class Period, as well as any and all wage and hour claims and that were asserted or could have been asserted based on the factual or legal allegations contained in Plaintiff’s Operative Complaint in the consolidated actions, arising at any time during the Class Period, including: (a) failure to pay wages including overtime and minimum wage for all hours worked; (b) failure to provide meal periods or pay a premium in lieu thereof; (c) failure to provide rest periods or pay a premium in lieu thereof; (d) failure to timely pay wages during employment and at termination; (e) failure to provide accurate wage statements; (f) failure to indemnify for necessary business expenses; (g) failure to keep required records; (h) unfair business practices (Business and Professions Code, sections 17200, *et seq.*); (i) claims for violation of the provisions of Wage Order 10 regarding the same; (j) claims for the attorney’s fees and costs incurred in the prosecution of this Action on behalf of the Class Members; (k) any other claims, remedies, penalties, or interest that could have been plead based on the facts alleged in the Complaints filed in the Action; and (l) all claims that Plaintiff, the Class Members may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney’s fees and costs to Plaintiff’s Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of Plaintiff’s Payment pursuant to this Settlement Agreement.

“Released PAGA Claims” means all claims for the recovery of civil money penalties for violations of the following Labor Code sections alleged in the Operative Complaint, and/or the LWDA Notice: 201-203, 204, 226, 226.3, 226.7, 510, 512, 516, 551, 552, 558, 1174, 1194, 1197, 1197.1, 1198, 2698 *et. seq.*, 2800, 2802, sections 3, 4, 7, 11, and 12 of Wage Order 10 or any other applicable Wage Order.

“Released Parties” means Defendant, its parent, affiliates and subsidiaries, and each of their company-sponsored employee benefit plans, and their respective successors and predecessors in interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents, and each of their past, present and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and attorneys.

E. Class Counsel Fees and Expenses to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty five percent (35%) of the Maximum Settlement Amount (i.e., an amount of up to \$523,250.00) and reimbursement of litigation costs and expenses in an amount of up to Nineteen Thousand Dollars (\$19,000.00) (together “Class Counsel Fees and Expenses”), subject to approval by the Court. The Class Counsel Fees and Expenses awarded by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the cases on a contingency fee basis (that is, without being paid any money to date) and has been paying

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all litigation costs and expenses.

F. Class Representative Service Award to Plaintiff

Plaintiff will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500.00), in recognition of his services in connection with the Action (“Class Representative Service Award”). The Class Representative Service Award will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his individual settlement payments that he may be entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Costs of administering the Settlement are estimated not to exceed Twenty-Two Thousand Dollars (\$22,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members and PAGA Employees of the Settlement, processing Opt-Out Notices, objections, and Disputes of Pay Periods, calculating Settlement Shares, Individual Settlement Payments, and Individual PAGA Settlement Shares, and distributing payments and tax forms under the Settlement, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

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

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Class Claims described in Section III.D above.

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Settlement Share. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above. Class Members who opt-out of the Class Settlement, and who are also PAGA Employees, shall still be bound to the PAGA Settlement and Judgment with respect to the Released PAGA Claims.

As a Class Members and/or PAGA Employee, you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Opt-Out from the Class Settlement

If you do not wish to participate in the Class Settlement, you may exclude yourself from the Class Settlement by submitting a written request (“Opt-Out Notice”), which must: (a) contain your full name, address, and the last four (4) digits of your Social Security number; (b) be signed by you; (c) reference the Class Action by its name; and (d) contain a statement clearly indicating that you seek to be excluded from the Class Settlement. The Opt-Out Notice must be postmarked by **no later than [Response Deadline]** at the following address:

[Settlement Administrator]

[Address]

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Opt-Out Notice will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit an Opt-Out Notice will be deemed Participating Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of Released Class Claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All PAGA Employees will be bound by the PAGA Settlement (and the release Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Settlement Share, regardless of whether they submit an Opt-Out Notice from the Class Settlement.

Questions? Please call: [settlement administrator’s 800-number]

C. Object to the Class Settlement

You can object to the terms of the Class Settlement, as long as you have not submitted an Opt-Out Notice, by submitting a written objection to the Settlement Administrator (“Objection”) or presenting your objection at the Final Approval Hearing.

An Objection must: (a) contain the full name, address, and last four digits of the Social Security number of the person objecting; (b) be signed by the person objecting; (c) reference the Action by its name; and (d) contain a statement clearly indicating that the person objects to the Settlement. The Objection must be postmarked by **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 28 of the San Mateo Superior Court, located at the Central Courthouse, 800 North Humboldt Street, San Mateo, California 94401, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Class Counsel Fees and Expenses, Class Representative Service Award to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear either remotely or in person if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Joint Stipulation of Class Action/PAGA Settlement Agreement and Release and other papers which are on file with the Court.

You may view the Settlement Agreement and documents filed in the Action for a fee by visiting the civil clerk’s office, located at 800 North Humboldt Street, San Mateo, California 94401, during business hours, or by online by visiting the following website: <https://www.sanmateo.courts.ca.gov>.

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

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