

Armond M. Jackson, SBN 281547
ajackson@jacksonapc.com
JACKSON LAW, APC
2 Venture Parkway, Ste. 400
Irvine, California 92618
Phone (949) 281-6857
Fax (949) 777-6218

Attorney for Plaintiff JOSEF BERNSTEIN

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, SPRING STREET COURTHOUSE

JOSEF BERNSTEIN, as an individual and on
behalf of other similarly situated employees,

Plaintiff,

vs.

PAYREEL, INC., a Colorado corporation,
ANHEUSER-BUSCH, LLC, a Missouri
corporation, 160OVER90, ENDEAVOR
OPERATING COMPANY, LLC, a Delaware
corporation, and DOES 1-50, inclusive,

Defendant.

Case No. 25STCV08121

Assigned for all purposes to:
Judge Armen Tamzarian

**DECLARATION OF ARMOND M.
JACKSON IN SUPPORT PLAINTIFF'S
UNOPPOSED MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT OF PLAINTIFFS' MOTION
FOR ORDER APPROVING
SETTLEMENT UNDER CALIFORNIA
LABOR CODE SECTION 2699 ET SEQ.**

*[Concurrently filed with Notice of Motion;
PAGA Motion; and Proposed Order]*

Hearing Date: May 13, 2025
Hearing Time: 9:00 a.m.
Department: 52

Reservation ID: 062892163758

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

2 1. I am the attorney of record for Plaintiff who filed the above-captioned case against
3 and Defendants Payreel, Inc., Anheuser-Busch, LLC, 160Over90, Endeavor Operating Company,
4 LLC (collectively referred to herein as “Defendants”). I am licensed and admitted to practice law in
5 all state courts of California. This declaration is submitted in support of Plaintiff’s Unopposed
6 memorandum of Points and Authorities in Support of Plaintiff’s Motion for Order Approving
7 Settlement Under California Labor Code section 2699 et seq. (“PAGA Motion”), filed concurrently
8 herewith. The parties entered into a settlement agreement. Attached hereto as **Exhibit A** is a true
9 and correct copy of the settlement agreement.

10 2. Pursuant to California Labor Code Section 2699(l)(2), on April 4, 2025. I submitted
11 the Plaintiff’s Memorandum of Points and Authorities in Support of Plaintiff’s Motion for Order
12 Approving Settlement Under California Labor Code Section 2699 et seq. and a copy of the parties’
13 settlement agreement to the California Labor and Workforce Development Agency (“LWDA”).
14 Attached hereto as **Exhibit B** is a true and correct copy of the confirmation of the filing.

15 3. Plaintiff filed a civil action entitled *Bernstein v. Payreel, Inc. et al.*, filed in Los
16 Angeles Superior Court Case 23STCV04502 (hereinafter referred to as “the Action”). During each
17 phase of discovery, Plaintiff’s counsel engaged in detailed case analysis based on the information
18 revealed. Calculations were performed, as well as an analysis of the risks and rewards of continued
19 litigation. As part of the discovery process, Plaintiff performed an investigation in which it was
20 determined that a total of approximately 1,400 aggrieved employees working 4,805 pay periods
21 whom were subjected to purported Labor Code violations at Defendant. Throughout the course of
22 the litigation, Plaintiff and Defendant engaged in discovery including informal discovery.
23 Defendant produced payroll data, its wage and hour policies, and meal break and rest break
24 certification documents. This information allowed Plaintiff to evaluate the claims in preparation for
25 mediation. The parties engaged in a full day mediation on January 8, 2024 with Michael D. Young
26 that ultimately resulted in a settlement through a mediator’s proposal. Thereafter, the parties
27 executed a long form settlement agreement.

1 **Meal Break Violations**

2 4. The maximum exposure amounted to \$500,000 based upon proving one meal break
3 violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per violation) pay
4 periods during the relevant time period. There is a 50% chance of success on these claims with a
5 merits base adjustment to \$250,000. A further 75% discount given the court's discretion on
6 reducing penalties and overcoming the risks of *Viking River* given the arbitration agreement in this
7 case equating to a risk adjusted discount to \$62,500.

8 **Rest Break Violations**

9 5. The maximum exposure amounted to \$500,000 based upon proving one rest break
10 violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per violation) pay
11 periods during the relevant time period. There is a 50% chance of success on these claims with a
12 merits base adjustment to \$250,000. A further 75% discount given the court's discretion on
13 reducing penalties and overcoming the risks of *Viking River* given the arbitration agreement in this
14 case equating to a risk adjusted discount to \$62,500.

15 **Minimum Wage Violations**

16 6. The maximum exposure amounted to \$500,000 based upon proving one minimum
17 wage violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per
18 violation) pay periods during the relevant time period. There is a 50% chance of success on these
19 claims with a merits base adjustment to \$250,000. A further 75% discount given the court's
20 discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration
21 agreement in this case equating to a risk adjusted discount to \$62,500.

22 **Overtime Wage Violations**

23 7. The maximum exposure amounted to \$500,000 based upon proving one overtime
24 wage violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per
25 violation) pay periods during the relevant time period. There is a 50% chance of success on these
26 claims with a merits base adjustment to \$250,000. A further 75% discount given the court's
27 discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration
28 agreement in this case equating to a risk adjusted discount to \$62,500.

Wage Statement Violations

8. The maximum exposure amounted to \$500,000 based upon proving one wage statement violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per violation) pay periods during the relevant time period. There is a 50% chance of success on these claims with a merits base adjustment to \$250,000. A further 75% discount given the court's discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration agreement in this case equating to a risk adjusted discount to \$62,500.

203 Penalty Violations

9. This penalty claim is based upon purported minimum wage or overtime violations. It was estimated that 1320 employees were terminated, laid off, or resigned whom were subjected to Labor Code violations. A penalty of \$100 would be accessed for each employee equating to \$132, 000. There is a 50% chance of success on these claims with a merits base adjustment to \$66,000. A further 75% discount given the court's discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration agreement in this case equating to a risk adjusted discount to \$16,500,00.

2802 Penalty Violations

10. The maximum exposure amounted to \$500,000 based upon proving one unreimbursed expense claim violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per violation) pay periods during the relevant time period. There is a 50% chance of success on these claims with a merits base adjustment to \$250,000. A further 75% discount given the court's discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration agreement in this case equating to a risk adjusted discount to \$62,500.

210 Penalty Violations

11. The maximum exposure amounted to \$500,000 based upon proving one failure to pay wages claim violation per pay period for each aggrieved employee (5,000 pay periods * \$100 per violation) pay periods during the relevant time period. There is a 50% chance of success on these claims with a merits base adjustment to \$250,000. A further 75% discount given the court's

1 discretion on reducing penalties and overcoming the risks of *Viking River* given the arbitration
2 agreement in this case equating to a risk adjusted discount to \$62,500.

3 **221 Penalty Violations**

4 12. The maximum exposure amounted to \$500,000 based upon proving one unlawful
5 receipt of wage claim violation per pay period for each aggrieved employee (5,000 pay periods *
6 \$100 per violation) pay periods during the relevant time period. There is a 50% chance of success
7 on these claims with a merits base adjustment to \$250,000. A further 75% discount given the
8 court's discretion on reducing penalties and overcoming the risks of *Viking River* given the
9 arbitration agreement in this case equating to a risk adjusted discount to \$62,500.

10 13. Total exposure amounts to \$4,132,000 without discounts. There is a 50% chance of
11 success to prevail on all claims justifying a risk adjusted discount to \$2,066,000. However, given
12 the risks of the applicability of *Viking River Cruises, Inc. v. Moriana* (2022) 142 S. Ct. 1906 and
13 the discretion to reduce penalties, the maximum exposure amount must be further discounted by
14 75% resulting in a realistic expected exposure of \$516,500 (\$2,066,000 *.25) Here, the \$200,000
15 settlement amount is 38.7% of the realistic maximum exposure while incorporating risks.

16 14. I have been a California licensed attorney since November 2011. I began my career
17 in law while still in law school when I served as a law clerk for the Pedersen Law & Dispute and
18 Resolution Corporation ("PLDRC") handling employment related litigation matters. While
19 clerking for PLDRC I analyzed and organized discovery documents and researched employment
20 litigation issues such as Sexual Harassment, Race Discrimination and Wrongful Termination. I
21 worked as an associate attorney at Pedersen McQueen between March 2013 through January 2017
22 almost exclusively engaging in employment matters representing employees. I have litigated
23 several wage and hour case to trial and currently litigating or have litigated cases valued in the six
24 and seven figure dollar range, including representative actions. I had primary responsibility for
25 approximately 20 litigation matters on average throughout my employment at PLDRC and
26 Pedersen McQueen and Pedersen Law. I regularly practice in state court and sometimes federal
27 court. As an associate, my responsibilities included carrying primary case responsibility which
28 includes tasks like taking depositions, conducting damages analysis, analyzing discovery

1 documents, conducting client intake, developing discovery and litigation strategies, participating in
2 mediations and arbitrations, engaging in settlement negotiations, trial preparation and trial work, as
3 well as other responsibilities that commonly coincide with managing cases from start to finish. I
4 have been a member of local bar associations, including the Orange County Bar Association, as
5 well as the State Bar of California and American Bar Association and served in a number of
6 leadership roles at all levels. Most notably, I served as a Committee Member of the Orange County
7 Bar Association Young Lawyers' Education Committee and Social Committee.

8 15. In January 2017, I officially stated my own practice Jackson Law, APC. Throughout
9 my career, I have litigated or currently litigating approximately over 100 wage and hour Private
10 Attorney General Act cases and/or class action cases. I have litigated approximately over 200
11 employment cases, including wage and hour cases. I was also a member of the California
12 Employment Law Association ("CELA") and argued before the Ninth Circuit and responsible for a
13 published opinion. Based upon my experience, I believe the benefit conferred by the proposed
14 Settlement is eminently fair and reasonable, and is in the best interests of the State of California
15 and the PAGA Representative Group Members because (1) of the monetary benefits provided to
16 the State such as (payroll taxes, income taxes etc.) for an ongoing business, (2) benefit to the
17 PAGA Representative Group as Defendant changed its practices that appears to advise the
18 employees of their rights enabling them to take their rest breaks and meal breaks as well as retain
19 their jobs and receive some monies for penalties they would not have received but for this lawsuit;
20 and (3) the risk, delay, and uncertainty of continued litigation on Plaintiff and Plaintiff's counsel.

21 16. To date, costs are approximately \$12,193.41. Attached hereto as **Exhibit C**, is a true
22 and correct copy of Plaintiff's costs spreadsheet maintained by Jackson Law, APC's law firm
23 practice management software.

24 **Attorneys' Fees**

25 17. To date, attorneys' fees are approximately \$67,861.50. Attached hereto as **Exhibit**
26 **D**, is a true and correct copy of Plaintiff's attorneys' fees spreadsheet maintained by Jackson Law,
27 APC's law firm practice management software.
28

1 18. Attached hereto as **Exhibit E** is a true and correct copy of the May 17, 2022, letter
2 pursuant to the California Private Attorney General Act.

3 19. Attached hereto as **Exhibit F** is a true and correct copy of the Laffey Matrix.

4 20. Below is a non-exhaustive list of prior wage and hour representative
5 actions on which I have served as lead or co-counsel.

6 1. *Kim v. FNS, Inc.*, Los Angeles Superior Court, Case No. BC 578015

7 2. *Demery v. Pacific Rim Capital Alliance Corporation et al.*, San Diego Superior Court,
8 Case No. 37-2017-00003415-CU-OE-CTL

9 3. *Goldbaum v. Dollarsmart et al.*, San Diego Superior Court, 30-2015-000077437-CU-
10 WT-CLT

11 4. *Hernandez v. Personnel Staffing Group, LLC et al.*, Orange County Superior Court, Case
12 No. 30-2017-00899277-CU-OE-CXC

13 5. *Sanchez, et al v. Pueblo Restaurant, Inc. dba Casa Torres*, Los Angeles Superior Court,
14 Case No. BC697241

15 6. *Augusto v. HIOG Management Services, LLC, et al.*, San Bernardino Superior Court,
16 Case No. CIVDS1610431

17 7. *Mendoza v. McNeal, Duckworth and McNeal, Inc.*, Orange County Superior Court, Case
18 No. 30-2017-00899290-CU-OE-CXC

19 8. *Ortiz v. Bayside Insurance Associates, Inc. et al*, Orange County Superior Court, Case
20 No. 30-2016-00895669-CU-OE-CXC

21 9. *Paramo v. Quest Nutrition LLC et al.*, Los Angeles County Superior Court, Case No.
22 BC609306

23 10. *Luis v. Second Street Corporation dba Huntley House Hotel*, Los Angeles County
24 Superior Court, Case No. BC691018

25 11. *Venegas, at al. v. Bergen Shippers Corp, et al*, Los Angeles County Superior Court,
26 Case No. BC715217

27 12. *Bernal v. Bristol Equity Partners LP et al*, Orange County Superior Court, Case No. 30-
28 2016-00854699-CU-OE-CXC

1 13. *Rowe v. Rasier-CA, LLC*, Orange County Superior Court,
2 Case No. 30-2018-00989673-CU-OE-CXC
3 14. *Abarca v. Habit Restaurants, LLC, The et al*, Orange County Superior Court, Case No.
4 30-2016-00840385-CU-OE-CJC
5 15. *Radilla v. States Logistics Services, Inc.*, Orange County Superior Court,
6 Case No. 30-2018-00978231-CU-WT-CJC
7 16. *Rodriguez v. Lampson Sewing Incorporated et al*, Orange County Superior Court, Case
8 No. 30-2017-00900653-CU-OE-CJC
9 17. *January v. Discovery Management Inc. et al*, Los Angeles Superior Court,
10 Case No. BC635918
11 18. *Angel Hernandez v. Merchants Landscape Services, Inc. et al.*, Los Angeles Superior
12 Court, Case No. BC674131
13 19. *Quezada v. Garden Fresh Restaurant Corp. et al*, Orange County Superior Court, Case
14 No. 30-2016-00840321-CU-OE-CJC
15 20. *Munoz v. Batten Down, Inc. et al*, Los Angeles County Superior Court, Case No.
16 BC617880
17 21. *Salgado v. Resort at Pelican Hill, LLC et al*, Orange County Superior Court, Case No.
18 30-2016-00840386-CU-OE-CJC
19 22. *Darmawati v. Westview Services Inc.*, Orange County Superior Court, Case No. 30-
20 2015-00795449-CU-OE-CJC
21 23. *Escobar v. Westcoast Textiles, Inc. et al*, Orange County Superior Court,
22 Case No. 30-2018-00979111-CU-OE-CXC
23 24. *Chacon v. Express Fashion Operations, LLC*, Orange County Superior Court, Case No.
24 30-2017-00900648-CU-OE-CXC
25 25. *Chacon v. Express Fashion Operations, LLC*, Orange County Superior Court, Case No.
26 8:19-cv-00564
27 26. *Plascencia v. RM HQ, LLC, dba Real Mex Restaurants*, Orange County Superior Court,
28 Case No. 30-2017-00926015-CU-OE-CXC

- 1 27. *Casas v. PC Hospitality et al.*, Orange County Superior Court,
2 Case No. 30-2016-00877489-CU-OE-CXC
- 3 28. *Leon v. SWH Mimi's Café, LLC*, Orange County Superior Court,
4 Case No. 30-2018-00978815-CU-OE-CXC
- 5 29. *Quintanilla v. Southwest Wine & Spirits, LLC*, Los Angeles Superior Court, Case No.
6 BC653817
- 7 30. *Fabiola Rodriguez v. Second Floor Food, Drinks and Art, LLC*, Orange County
8 Superior Court, Case No. 30-2018-00981362-CU-WT-CXC
- 9 31. *Santiseban v. Rod Fraser Enterprises, Inc. et al*, Orange County Superior Court,
10 Case No. 30-2017-00904202-CU-OE-CXC
- 11 32. *Milano v. Lev Tambor dba Distractions Lounge*, Orange County Superior Court,
12 Case No. 30-2018-00966582-CU-WT-CXC
- 13 33. *Ajin v. Lymi, Inc*, Los Angeles County Superior Court, Case No. BC696168
- 14 34. *Recinos v. Pacific American Fish Co., et al*, Los Angeles Superior Court,
15 Case No. BC710735
- 16 35. *Valle-Valdez v. St. Jude Hospital Yorba Linda, et al*, Orange County Superior Court,
17 Case No. 30-2015-00795457-CU-OE-CJC
- 18 36. *Juarez v. Arakelian Enterprises, Inc., et al*, Los Angeles Superior Court,
19 Case No. BC710736
- 20 37. *Solarzano v. T&J Fresh Co. dba Chomp Sushi*, Orange County Superior Court,
21 Case No. 30-2018-00981299-CU-OE-CXC
- 22 38. *Taylor v. G.I. Trucking Company dba Estes West et al*, Los Angeles Superior Court,
23 Case No. BC722778
- 24 39. *Rendon v. L & L Foods Holdings, LLC, et al*, Orange County Superior Court, Case No.
25 30-2018-00982745-CU-OE-CXC
- 26 40. *Magana v. Zara USA, Inc., et al*, Orange County Superior Court,
27 Case No. 8:18-cv-02249-AG (ADSx)
- 28 41. *Flores v. ABM Industry Groups, LLC et al*, Orange County Superior Court,

Case No. 30-2018-00971152-CU-WT-CJC

42. *Diaz v. Macy's West Stores, Inc. dba Macy's*, Central District of California,

Case No. SACV19-00303 ODW (MAAx)

43. *Aguirre v. Shelfmaster et al*, Orange County Superior Court, 30-2015-00787557-CU-
OE-CJC

44. *Goldman v. Encore Energy, Inc.*, Los Angeles County Superior Court, BC606773

45. *Munoz v. 8947 Sunset Pizza, LLC et al.*, Los Angeles Superior Court,

Case No. BC646999

21. The other attorneys and staff whom worked on this matter are comprised of Anthony Filer Jr. also worked on this matter whom is a 2-year California licensed attorney with a billable rate of \$250 per hour which should be considered reasonable. Yesenia Villalba whom is a paralegal with over five years of legal experience with a billable rate of \$145 which should be considered reasonable.

I declare under penalty of perjury and under the laws of the State of California that the foregoing statements are true and correct and stated of my own personal knowledge. I have signed this declaration on April 4, 2025, in Irvine, California.

/s/ Armond M. Jackson
Armond M. Jackson

EXHIBIT A

SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Plaintiff Josef Bernstein (“Plaintiff” or “Bernstein”), individually and as the authorized proxy for the State of California and the Labor and Workforce Development Agency, and Defendants PayReel, Inc. (“PayReel”), Anheuser-Busch, LLC (“AB”), One Sixty Over Ninety, LLC (“160over90”), and Endeavor Operating Company, LLC (“Endeavor”) (collectively referred to as “Defendants”) (collectively with Plaintiff, the “Parties”), hereby agree to the following Private Attorneys General Act (“PAGA”) Representative Action Settlement (“Settlement” or “Settlement Agreement”) concerning the lawsuit currently styled Josef Bernstein v. PayReel, Inc. et al., American Arbitration Association Case Number 012300032791 (the “Lawsuit”).¹

This Agreement and all associated exhibit(s) or attachment(s) are made for the purpose of settling the Lawsuit. This Agreement and the settlement it evidences are made in compromise of disputed claims. Because this action is being settled under PAGA, the “superior court shall review and approve any settlement of any civil action filed pursuant to [Labor Code §§ 2698 *et seq.*]” Cal. Lab. Code § 2699(1)(2). Accordingly, the Parties enter into this Agreement and associated settlement on a conditional basis. If the Court does not enter the Approval Order and Judgment and/or the Effective Date does not occur, this Agreement shall be deemed null and void *ab initio*, it shall be of no force or effect whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiation of the Agreement shall remain subject to the provisions of California Evidence Code section 1152 and any other analogous rules of evidence that are applicable.

Because this is a PAGA settlement on behalf of the State of California, not a settlement of a class action, there is no mechanism for any aggrieved employee to (a) object to the

¹ As set forth herein, pursuant to Paragraph 36 of this Agreement, the Parties agree that the action will be remanded to or refiled in Los Angeles Superior Court, where the Plaintiff will file, following review and approval by the Defendants, an unopposed motion for approval of the PAGA settlement.

settlement after the Court's Approval Order is made, or (b) opt out from being covered by the release of PAGA claims at any time before or after the Approval Order is made.

DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. "Approval Order and Judgment" means the signed order of the Los Angeles Superior Court approving the Settlement and entering Judgment.
2. "Defendants' Counsel" means Morgan, Lewis & Bockius LLP and Medina McKelvey LLP.
3. "Effective Date" means the date on which an order and judgment on the Settlement becomes final. Such order and judgment becomes final upon the later of: (a) provided that no appeal from the order and judgment approving the Settlement is filed, the date after the deadline for any appeal expires; or (b) if an appeal of the order and judgment is filed, and the appeal is finally disposed of in favor of Settlement approval by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the decision passes, and no further review is requested.
4. "Escalator/Buffer Clause" means that provided the actual pay periods at time of Court approval of the settlement do not exceed 5,000 pay periods plus 10% (or 5,500 pay periods) for the time period from December 26, 2021 to November 11, 2023, then Defendants will not need to pay any further money. However, if the actual pay periods from December 26, 2021 to November 11, 2023 exceed 5,000 pay periods plus 10% Defendants will need to decide either to pay a pro rata amount for each additional pay period or have the release period end on the date when the 10% threshold (or 5,500 pay periods) is reached.
5. "Eligible Pay Period" means any pay period in which an employee actively worked (meaning the employee recorded actual hours worked) in California as a PAGA Settlement Member during the PAGA Period.
6. "Funding Date" means twenty-one (21) business days after the Effective Date, or

fifteen (15) business days after the PAGA Settlement Administrator sends Defendants confirmation of the Gross Settlement Amount and wiring instructions to fund the Settlement, whichever is later.

7. “Gross Settlement Amount” means Two Hundred Thousand Dollars and No Cents (\$200,000.00).

8. “Individual PAGA Payment” means the proportional pro rata share to be paid to each of the PAGA Settlement Members from the 25% of the PAGA Payment attributable to civil penalties that are paid to PAGA Settlement Members under Labor Code section 2699, with such individual shares to be based on the number of Eligible Pay Periods during which a PAGA Settlement Employee worked during the PAGA Period as a percentage of the total number of Eligible Pay Periods. The Settlement Administrator will use the following formula: 25% of the PAGA Payment will be divided by the aggregate total number of Eligible Pay Periods, resulting in the “Pay Period Value.” Each PAGA Settlement Member’s Individual PAGA Payment will be calculated by multiplying each PAGA Settlement Member’s total number of Eligible Pay Periods by the Pay Period Value. The Settlement Administrator will issue IRS Form 1099s to PAGA Settlement Employees for their Individual PAGA Payments.

9. “PAGA Claims” means Plaintiff’s individual and representative non-individual PAGA claims based on alleged predicate violations of California Labor Code §§ 201, 202, 203, 210, 226(a) 1-2, 4-5, 9, 226.3, 226.7, 510, 512, 558, 1194, and 2802 and IWC Wage Order Nos. 1-2001, 7-2001, 11-2001, 12-2001, §§ 3, 7, 11, and 12, and civil penalties pursuant to PAGA and Labor Code §§ 2698–2699.5.

10. “PAGA Payment” means the amount remaining to distribute to the LWDA and PAGA Settlement Members after the following amounts, if approved by the Court, are subtracted from the Gross Settlement Amount: (a) Attorneys’ Fees up to one-third of the Gross Settlement (or \$66,666), (b) Plaintiffs’ Costs up to \$15,000, (c) Administration Costs which are estimated to be no more than \$ 10,500.00, and (d) a Service Payment to Plaintiff up to \$10,000. The entirety of the PAGA Payment shall be allocated to civil penalties under Labor Code section

2699, with 75% of the PAGA Payment going to the LWDA and 25% going to the Individual PAGA Payments.

11. “PAGA Period” means December 26, 2021 through the date the Court signs the order and judgment approving the Settlement, unless the escalator clause set forth in Paragraph 4 is triggered and Defendants elect to change the end of the PAGA Period to the date on which the Settlement Period encompasses 5,500 pay periods.

12. “PAGA Released Claims” means the PAGA Claims that Plaintiff, the LWDA and the PAGA Settlement Members release and forever discharge Defendants and the Released Parties from, as set forth in Paragraph 16.

13. “PAGA Settlement Members” means all individuals in California whom PayReel assigned to work for 160over90, Endeavor and/or AB that worked as non-exempt employees and who worked Eligible Pay Periods at any time during the PAGA Period.

14. “PAGA Settlement” or “Settlement” means the settlement of the Lawsuit as memorialized in this Agreement.

15. “Plaintiff’s Counsel” means Jackson Law, APC.

16. “Released Parties” means Defendants and their parents, subsidiaries, affiliates, predecessors or successors, and all agents, employees, officers, directors, insurers, partners, investors, shareholders and attorneys thereof and all persons acting or alleged to be joint employers or client employers or acting by, through, under or in concert with any of them, past and present, and each of their trustees, directors, officers, agents, alleged joint employers or client employers, attorneys, employees, contractors, insurers, representatives, assigns, all persons acting by, through, under, or in concert with any of them, and/or all persons acting on behalf of them.

17. “Settlement Administrator” means Phoenix Class Action Administration Solutions.

18. “Settlement Period” means the same period of time as the PAGA Period noted in Paragraph 11, above.

RECITALS

19. WHEREAS, Plaintiff was employed by PayReel as a Brand Ambassador during a part of the PAGA Period.

20. WHEREAS, on May 17, 2022, Plaintiff Josef Bernstein sent a PAGA letter to the LWDA alleging the facts and theories purportedly supporting the following claims against the Defendants: (a) failure to pay minimum wages, (b) failure to pay overtime wages, (c) failure to pay timely wages, (d) failure to unlawfully receive wages, (e) failure to provide compliant meal periods, (f) failure to provide compliant rest breaks, (g) failure to provide and maintain accurate itemized wage statements and maintain records, (h) failure to pay timely wages upon termination, and (i) expense reimbursement violations, based on alleged violations of the Labor Code. On March 1, 2023, Plaintiff filed a Complaint in the Los Angeles County Superior Court alleging violations of Labor Code §§ 201, 202, 203, 210, 226(a) 1-2, 4-5, 9, 226.3, 226.7, 510, 512, 558, 1194, 2802, 2698–2699.5; IWC Wage Order Nos. 1-2001, 7-2001, 11-2001, 12-2001, §§ 3, 7, 11, and 12; and Cal. Bus. & Prof. Code §§ 17200 *et. seq.* against Defendants (the “Complaint”). Through his LWDA letter and the Complaint, Plaintiff seeks to maintain a representative wage and hour action under PAGA encompassing himself and all other individuals in California whom PayReel assigned to work for 160over90, Endeavor and/or AB that worked as non-exempt employees during the PAGA Period.

21. WHEREAS, Defendants deny all of the allegations in the LWDA Letter, Complaint, and the PAGA Claims, and deny that they or any Released Parties committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

22. WHEREAS, on January 8, 2024, the Parties engaged in a mediation session before mediator Michael Young, Esq. Through arms-length negotiations with the assistance of the mediator, the Parties reached an agreement to settle the PAGA Action that covers all individuals in California whom PayReel assigned to work for 160over90, Endeavor and/or AB that worked as non-exempt employees during the PAGA Period.

23. WHEREAS, the Parties understand, acknowledge, and agree that this Agreement constitutes a compromise of Plaintiff's PAGA Claims, and that it is the desire and intention of the Parties to effect a final and complete resolution of the Plaintiff's PAGA Claims against Defendants. The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission by Defendants of liability.

24. WHEREAS, the Parties believe and agree that this Agreement provides for a fair, adequate, and reasonable resolution of the PAGA Claims, and have arrived at the Settlement after extensive, arms-length negotiations in a full-day private mediation on January 8, 2024 with Michael Young, taking into account all relevant factors, including the strengths and weaknesses of Plaintiff's claims, Defendants' merits defenses, Defendants' contention that the Lawsuit is not manageable, Defendants' argument that Plaintiff would be unable to prove all of the Labor Code violations he has alleged on behalf of all of the employees that he seeks to represent, and the risk that the Court would significantly reduce any civil penalties that could be awarded under Labor Code section 2699(e)(2).

25. WHEREAS, California Labor Code section 2699(l)(2) requires Court approval of "any settlement of any civil action filed" pursuant to PAGA.

26. WHEREAS, Plaintiff and Plaintiff's Counsel represent that they are not aware of and have no knowledge of any liens filed or placed on this Action by any person.

27. THEREFORE, in consideration of the promises and agreements contained herein, the Parties agree and covenant as follows:

SETTLEMENT CONSIDERATION

28. Non-Admission of Liability, Wrongdoing, or Standing. This Agreement shall not in any way be construed as an admission by Defendants and/or any of the Released Parties that they acted wrongfully with respect to Plaintiff or any other allegedly aggrieved employees. Defendants specifically disclaim any liability to, or wrongful acts against Plaintiff, on the part of themselves, and/or any respective parents, subsidiaries, affiliates, predecessors, successors,

officers, directors, employees, or agents, and all persons acting or alleged to be joint employers or client employers or acting by, through, under or in concert with any of them, including PayReel, AB, Endeavor, and 160over90. Defendants deny that there is any factual evidence or legal basis to support any claims or Labor Code or associated IWC Wage Order violations that Plaintiff alleges on behalf of alleged aggrieved employees, or by Plaintiff on his own behalf.

29. Gross Settlement Amount. In consideration for the covenants, promises, waivers, and releases contained in this Agreement, and subject to Court approval, Defendants shall pay the sum of Two Hundred Thousand Dollars and No Cents (\$200,000.00) in full and final settlement of the PAGA Claims and the Lawsuit. The Gross Settlement Amount is the “all in” maximum amount Defendants will pay to satisfy all of Defendants’ obligations under this Settlement, including, but not limited to, the source from which all PAGA Payments, the Service Payment, attorneys’ fees, costs, and Settlement administration costs will be funded.

Subject to Court approval, Defendants will not oppose Plaintiff’s Counsel’s request for fees not to exceed Thirty-Three Percent (33.3%) of the Gross Settlement Amount (i.e., a maximum of \$66,666.67), and costs not to exceed \$15,000 (to be paid out of the Gross Settlement Amount). Subject to Court approval, up to \$10,000.00 from the Gross Settlement Amount will be paid to Plaintiff Josef Bernstein as a Service Payment and as part of the consideration of a general release of all his individual claims against the Defendants and the Released Parties. Subject to Court approval, up to \$10,500.00 (to be paid out of the Gross Settlement Amount) shall be allocated to the payment of the third-party Settlement Administrator. The remaining amount shall be allocated to the PAGA Payment.

If the awarded Plaintiff’s attorneys’ fees and costs, Service Payment, and/or settlement administration costs approved by the court are less than any of the amounts set forth above, the unawarded amounts shall be added to the PAGA Payment.

30. Release.

a. Release by Plaintiff on Behalf of the LWDA. In his capacity as a private attorney general “aggrieved employee” acting on behalf of himself and as a proxy or agent of

the LWDA and State of California, Plaintiff agrees to release Defendants and the Released Parties, from any and all individual and non-individual claims under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaint or the PAGA Notice Letter, including, but not limited to, claims under PAGA arising under Labor Code Sections 201, 202, 203, 210, 226(a), 226(a) 1-2, 4-5, 9, 226.3, 226.7, 510, 512, 558, 1194, and 2802 and IWC Wage Order Nos. 1-2001, 7-2001, 11-2001, 12-2001, §§ 3, 7, 11, and 12 and any civil penalties based on alleged violations of these sections (collectively, the “PAGA Released Claims”) that arose during the PAGA Period. Upon approval of this Agreement and the funding of the Settlement by Defendants, Plaintiff, the LWDA, the State of California, and any other individual or entity acting on behalf of or purporting to act on behalf of the LWDA and/or the State shall be barred from asserting any of the PAGA Released Claims in any other litigation, arbitration, or other legal forum. Any party to this Agreement may use the Agreement to assert that this Agreement and the Judgment to be entered by the Court following approval of this Agreement bars any other action asserting any of the PAGA Released Claims against any of the Released Parties during the PAGA Period. The provisions of this paragraph apply regardless of whether Plaintiff and/or the PAGA Settlement Members cash their Individual PAGA Payment checks. Through this settlement, Plaintiff releases his individual PAGA claims and his right to pursue non-individual representative PAGA claims including his right to represent the State in claiming civil penalties for Labor Code violations he claims he experienced or that any other employee claims to have experienced. Plaintiff recognizes that this Agreement releases Plaintiff’s right to serve as a representative of the State in bringing a claim on behalf of the State, and that it precludes him from bringing any claim for civil penalties on behalf of the State arising out of or related to his employment with PayReel.

b. Release by PAGA Settlement Members. For and in consideration of the mutual promises and consideration set forth in this Agreement, Plaintiff and the PAGA Settlement Members, on behalf of themselves, and their heirs, successors, assigns, attorneys and agents, hereby release and forever discharge the Released Parties from any and all PAGA

Released Claims, as defined herein, during the PAGA Period.

31. Plaintiff's Release and Obligations. In exchange for the Service Award referenced above, Plaintiff releases Defendants and Released Parties up to the date this Agreement is executed of all known and unknown claims, including any wage and hour claims, under the Labor Code and all claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, timely payment of wages, wage statement claims, meal and rest period claims, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, as well as the common law, including laws related to maintaining payroll records, payment of sick leave, fraud, trespass, conversion, discrimination, harassment, or retaliation. Plaintiff further agrees that he expressly waives and relinquishes to the fullest extent permitted by law, the rights and benefits of California Civil Code section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions set forth herein, and for the purpose of implementing a full and complete release, Plaintiff expressly acknowledges that this Agreement is intended to include and does include its effect without limitation all claims which Plaintiff does not know or suspect to exist in his favor against Defendants or the Released Parties, and that this Agreement contemplates extinguishment of any such claim or claims.

Additionally, Plaintiff agrees that he will not be or become a member of any other legal actions against Defendants or the Released Parties asserting such released claims, will not be eligible for or accept any recovery in any such actions, and will opt out of any such actions if necessary.

32. PAGA Settlement Administrator and Distribution Method. The Parties agree that

Phoenix Class Action Administration Solutions (“Phoenix”) shall serve as the PAGA Settlement Administrator to among other things determine Individual PAGA Payment amounts for each PAGA Settlement Member; distribute Individual PAGA Payments to PAGA Settlement Members; and otherwise process and distribute the Gross Settlement Amount in accordance with this Agreement.

The Parties agree that the Settlement Administrator shall establish a Qualified Settlement Fund (“QSF”) that is intended to be pursuant to Section 468B of the Code and Treas. Reg. §1.468B-1, 26 CFR § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. With respect to the QSF, the Settlement Administrator shall: (1) open and administer a settlement account in such a manner as to qualify and maintain the qualification of the QSF as a “Qualified Settlement Fund” under Section 468B of the Code and Treas. Reg. § 1.468B-1; (2) satisfy all federal, state and local income and other tax reporting, return, and filing requirements with respect to the QSF (if any is required); and (3) satisfy out of the QSF all fees, expenses, and costs incurred in connection with the opening and administration of the QSF and the performance of its duties and functions as described in this Agreement. The aforementioned fees, costs, and expenses shall be treated as and included in the costs of administering the QSF by the Settlement Administration.

a. In addition to and subject to Court approval, the timelines and methods related to the administration of this Agreement shall be as follows: The PAGA Payment shall be available for distribution to the PAGA Settlement Members and the LWDA consistent with Labor Code section 2699(i) and shall be allocated as follows: 75% to the LWDA (“LWDA Payment”) and 25% to the PAGA Settlement Members as the amount used for payment of their Individual PAGA Payments.

b. Within twenty-one (21) business days after the Effective Date of the Settlement, Defendants shall: (1) transmit funds equaling the Gross Settlement Amount to the Settlement Administrator, and (2) confidentially provide the Settlement Administrator with the following information from their personnel records for each PAGA Settlement Member, which

shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document: name; social security number; last known address; and number of Eligible Pay Periods during the Settlement Period. This information shall be treated as and remain confidential by the Settlement Administrator and shall be used solely to manage the notice and payment process described herein, shall not be disclosed to Plaintiff's Counsel, or to anyone other than the necessary staff of the Settlement Administrator, except as needed to effectuate the settlement, including to resolve any dispute over the eligibility for or amount of a PAGA Settlement Member's Individual PAGA Payment.

c. Within fifteen (15) calendar days of the Funding Date, the PAGA Settlement Administrator shall distribute the amounts for the Plaintiff's Service Payment and attorneys' fees and costs to Plaintiff's counsel, and the PAGA Payment to the LWDA and PAGA Settlement Members. With respect to Individual PAGA Payments to PAGA Settlement Members, the Settlement Administrator shall send by first-class mail, at their last known address, the court-approved notice letter, and a check for their individual payment. The Settlement Administrator will conduct a standard skip trace and re-mail any returned, undelivered mailings for which another address is found to such PAGA Settlement Members within fourteen (14) calendar days of receiving notice that a mailing was undeliverable.

d. Because the Individual PAGA Payments are in compromise and settlement of claims for civil penalties, and are not payment of any wages, the entirety of these payments will be treated as non-wage income that is not subject to any withholdings or deductions. The Service Payment to Plaintiff is not wages, will not be subject to deductions or withholdings, and will be reported as 1099 income. The PAGA Settlement Administrator shall be responsible, to the extent necessary based on the amount of a payment, for all tax reporting and documentation related to the PAGA Settlement Member Payments, as well as all other payments made under the Agreement. Plaintiff acknowledges that Defendants make no representations or warranties with respect to any tax consequences or characterization of the nature of any payment under this Agreement. Plaintiff and Plaintiff's Counsel each agree to hold

Defendants and the Released Parties harmless from and against any damage or penalty incurred by Plaintiff and/or Plaintiff's Counsel as a result of any taxing authority assessing any tax or penalty upon Defendants as a consequence of any tax being due and unpaid on each of their portions of the Settlement.

e. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

f. Because this is a PAGA settlement and not a class action settlement, and because there is no claims procedure and no ability to “opt out,” there will be no prior notice to the PAGA Settlement Members advising them of the Settlement or any procedure by which the PAGA Members must submit claims in order to receive a settlement payment. No later than fifteen (15) business days after the Funding Date, the Settlement Administrator will mail a notice (“PAGA Notice”) approved by the Court (in substantially the form attached as Exhibit A) along

with the Individual PAGA Payment to the PAGA Settlement Members in the PAGA Data.

g. PAGA Settlement Members shall have one hundred eighty (180) calendar days to cash their individual PAGA Payment checks under this Agreement. Any checks that are returned as undeliverable or that remain uncashed after 180 days shall be voided. Within fourteen (14) days of the expiration of the 180-day deadline, the Settlement Administrator shall transmit the funds represented by such checks to the cy pres beneficiary Alliance for Children's Rights.

33. Impact of Non-Approval by the Court. Should the Court initially deny approval of this Agreement, the Parties shall work jointly to make reasonable efforts to attempt to address the Court's concerns in order to obtain the Court's approval, except that Defendants will not be required under any circumstances to increase the Gross Settlement Amount. If the Parties cannot obtain Court approval, the Parties shall be restored to their respective litigation positions before they entered into this Agreement: Plaintiff's Complaint that was filed in Los Angeles Superior Court to effectuate settlement (*see* paragraph 36, *infra*) will be dismissed with prejudice by Plaintiff and the action will be reactivated in arbitration with AAA to its pre-mediation status. A reduction by the Court or on appeal as to the amount of Attorneys' Fees and Costs or Service Payment is allowed under and does not provide a basis for nullifying this Agreement. If the Court ultimately denies approval of the Agreement, or if the Court's approval is reversed on appellate review, this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever.

34. The Parties stipulate and agree, pursuant to California Code of Civil Procedure section 583.330(a), in the event the settlement is not finally approved, to extend the time within which the Action must be brought to trial pursuant to Code of Civil Procedure sections 583.310 through 583.360, by that period of time from January 8, 2024 until the date of the Court's Order finally granting approval or denial of the Settlement, and that said period of time shall not be included in the computation of the five-year period specified in Code of Civil Procedure section 583.310.

35. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction solely with respect to the interpretation, implementation, and enforcement of the terms of this Settlement, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith. In the event either party is reasonably required to seek to enforce any of the terms of this Agreement, the prevailing party shall be entitled to attorneys' fees and costs. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

36. Remand, Motion for Settlement Approval, and Dismissal/Judgment in this Action. For purposes of seeking court approval of this Settlement, the parties will stipulate to the dismissal of the action pending in AAA once the settlement is approved and will further stipulate to remand to or filing of this action in Los Angeles Superior Court, where Plaintiff's lawsuit was initially filed. Defendants shall not be obligated to respond to the refiled Complaint unless order by the Court.

Plaintiff's Counsel shall prepare, file, and serve a motion for approval of this Agreement pursuant to California Labor Code § 2699(1)(2), advocating that the terms of the Settlement are fair, adequate, and reasonable and satisfy other requirements for approval of a PAGA settlement, and Defendants shall not oppose such a motion provided that it is consistent with the terms of this Agreement. Plaintiff's Counsel shall send a draft of the motion to Defendants' counsel allowing seven (7) business days for review and comment which shall be reasonably considered by Plaintiff's Counsel. Counsel for the Parties will jointly prepare and submit a proposed Approval Order and Judgment granting the motion, consistent with the terms of this Agreement and Settlement. The proposed Approval Order and Judgment will include a dismissal of the entire Lawsuit and Plaintiff's PAGA claims, with prejudice as to Plaintiff and the PAGA Settlement Members.

Plaintiff shall serve the LWDA with the motion referenced above when Plaintiff files the motion with the Court. Within ten (10) calendar days of the date the Court enters the Judgment, Plaintiff shall also submit a copy of the Judgment to the LWDA consistent with Labor Code section 2699(1)(3). 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 this Agreement or by law.

37. Confidentiality. Neither side shall issue any press release or public announcement of any kind related in any way to the Settlement, except any notice required to effectuate the terms of the settlement. Plaintiff agrees to maintain the terms and conditions of this Agreement as confidential and agrees not to disclose the terms of this Agreement until the motion for approval is filed with the Court and/or submitted to the LWDA, after which time Plaintiff shall refer any questions or comments about the Settlement or this Agreement from PAGA Settlement Members to Plaintiff's Counsel. The Parties agree that this paragraph is a material inducement to entering into this Agreement. Nothing in this Agreement shall limit Plaintiff's right to communicate with his spouse(s), legal counsel retained by Plaintiff, personal certified accountant, financial adviser, or tax consultant, or as required or compelled by legal authority before or after the motion for approval is filed with the Court.

Counsel for the Plaintiff shall not publicize the Settlement on their website or in advertising/marketing materials, other than filing documents with the Court in connection with seeking approval of the Agreement. After the Approval Order has been entered by the Court, Plaintiff and Plaintiff's Counsel may: (1) as required by law, (2) as required under the terms of the Agreement, or (3) as required under Plaintiff's Counsel's duties and responsibilities as counsel for the PAGA Settlement Members, comment regarding the specific terms of the Agreement. In all other cases, Plaintiff and Plaintiff's Counsel agree to limit their statements regarding the terms of the Agreement, whether oral, written, or electronic, to say the Lawsuit has been resolved and that Plaintiff and Plaintiff's Counsel are satisfied with the terms of the

Agreement. Nothing in this paragraph is intended to interfere with Plaintiff's Counsel's duties and obligations to faithfully discharge their duties as counsel for the PAGA Settlement Members, including but not limited to, communicating with PAGA Settlement Members regarding the Agreement, and nothing shall prohibit Plaintiff's Counsel from referring to the Settlement in adequacy of counsel declarations or related court filings.

38. No Admission of Wrongdoing. Except for the purposes of effectuating and enforcing the terms of this Agreement which include barring claims that are released pursuant to this Agreement, neither this Agreement nor any of its terms nor the settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants and/or any of the Released Parties, including but not limited to, evidence of any violation of the Labor Code, presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against Defendants and/or any of the Released Parties in any other civil, criminal, or administrative action or proceeding, or any arbitration. The Parties agree that an express condition of this Agreement is that there has been no finding of liability on the merits, and that this Agreement and the Approval Order and Judgment therefore cannot be a basis to assert subsequent violation penalty rates in any action or proceeding seeking civil penalties, or to assert offensive collateral estoppel against Defendants. Notwithstanding the foregoing, nothing in this Agreement shall limit Defendants' use of the Approval Order and Judgment to establish res judicata and/or collateral estoppel in any other PAGA action.

39. Costs and Fees. The Parties shall each bear their own costs, attorneys' fees, and other fees incurred in connection with this Agreement and in connection with the Lawsuit, except as otherwise set forth specifically herein.

40. Arbitration. This Agreement shall not affect the validity of any arbitration agreements and/or release agreements applicable to Plaintiff or to any PAGA Settlement Member. Defendants reserve the ability and do not waive the right to enforce arbitration

agreements in any other action, or in this action as to any arbitrable claims of Plaintiff and/or PAGA Settlement Members should settlement not be approved. Nothing in this Agreement shall prevent or prohibit any PAGA Settlement Members, including Plaintiff, to assert any defenses or challenge to any purported arbitration agreements and/or release agreements, excluding the release set forth in this Settlement.

41. Dismissal of Pending Lawsuits. To the extent applicable, Plaintiff agrees to effectuate the dismissal of any lawsuits, claims, or actions pending in Plaintiff's name, or on behalf of any other person or entity, against Defendants or any of the other Releasees (with the exception of any whistleblower tips provided to the SEC pursuant to its whistleblower program). Plaintiff's counsel represents that, other than Plaintiff himself, they do not currently represent any other current or former employees of Defendants in connection with any actual or planned claims, charges, complaints or other matters against Defendants, and Plaintiff's counsel is not aware of any current or former employees of Defendants who are planning to bring any claims, charges, complaints, or other matters against Defendants. In their Declarations in support of approval of the settlement, Plaintiffs and Plaintiff's 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.

42. Knowing and Voluntary Agreement. Each Party has carefully read, and knows and understands the full contents of this Agreement and is voluntarily entering into this Agreement after having received independent legal advice from his or its attorneys with respect to the advisability of making the settlement provided for herein and the advisability of executing this Agreement.

43. Joint Drafting. Each of the Parties has participated in the drafting of all provisions of this Agreement, has had an adequate opportunity to read, review, and consider the effect of the language of this Agreement, and has agreed to its terms.

44. Severability. If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, that provision shall be deemed severed and deleted from this Agreement,

and neither that provision nor its severance and deletion shall affect the validity of the remaining provisions, except that if the Court severs a provision that either of the Parties reasonably considers to be a material term of this Agreement, that Party shall have the option to send a written notice to the other Party no later than fourteen (14) calendar days after the Court severs the provision that it wishes to void the entire Agreement and to restore the Parties to their litigation positions as of before this Agreement was reached. If the Parties are thereafter unable to resolve the issue by reasonable efforts, this Agreement in its entirety shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever. Notwithstanding the foregoing, no portion of any release contained herein may be deemed severed or deleted from this Agreement except upon agreement in writing by Defendants.

45. Counterparts. This Agreement may be signed in counterparts. Fax, scan, and/or electronic copies of signatures shall be deemed effective as originals.

46. Cal. Code Civ. Proc. § 583.330. The Parties stipulate and agree, pursuant to California Code of Civil Procedure section 583.330(a), in the event the settlement is not finally approved, to extend the time within which the Action must be brought to trial pursuant to Code of Civil Procedure sections 583.310 through 583.360, by that period of time from January 8, 2024 until the date of the Court's Order finally granting approval or denial of the Settlement, and that said period of time shall not be included in the computation of the five-year period specified in Code of Civil Procedure section 583.310.

47. Entire Agreement. This Agreement sets forth the entire agreement between the Parties hereto and fully supersedes any and all prior and/or supplemental understandings, whether written or oral, between the Parties concerning the subject matter of this Agreement. Any modification to this Agreement must be in writing and signed by Plaintiff and Plaintiff's Counsel and Defendants and Defendants' counsel.

48. Waiver of right to appeal. Provided the Approval Order and Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel

waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals, except that Plaintiff and/or Plaintiff's Counsel may appeal any order denying or reducing their requested Attorneys' Fees and Costs or Service Payment.

The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until the appeal is finally resolved and the Judgment becomes final. This provision only applies to matters on appeal that could affect the approval of the PAGA Settlement or the amount of the PAGA Payment.

49. Cooperation. The Parties and their Counsel will cooperate in good faith and apply their best efforts to implement this Settlement, by, among other things, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement, submitting supplemental evidence and/or supplemental points and authorities if requested by the Court, or making changes to the Settlement if requested by the Court that do not materially affect the essential settlement terms.

IN WITNESS WHEREOF, the Parties each acknowledge that they have read the foregoing Joint Stipulation of Settlement of PAGA Representative Action, accept and agree to the provisions contained in this Agreement and hereby execute it voluntarily and with full understanding of its consequences, as of the date set forth below.

Dated: 4 / 4, 2024



Plaintiff Josef Bernstein

Dated: _____, 2024	_____ PayReel, Inc. By: _____ Printed Name: _____ Title: _____
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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, except that Plaintiff and/or Plaintiff’s Counsel may appeal any order denying or reducing their requested Attorneys’ Fees and Costs or Service Payment.

The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until the appeal is finally resolved and the Judgment becomes final. This provision only applies to matters on appeal that could affect the approval of the PAGA Settlement or the amount of the PAGA Payment.

49. Cooperation. The Parties and their Counsel will cooperate in good faith and apply their best efforts to implement this Settlement, by, among other things, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement, submitting supplemental evidence and/or supplemental points and authorities if requested by the Court, or making changes to the Settlement if requested by the Court that do not materially affect the essential settlement terms.

IN WITNESS WHEREOF, the Parties each acknowledge that they have read the foregoing Joint Stipulation of Settlement of PAGA Representative Action, accept and agree to the provisions contained in this Agreement and hereby execute it voluntarily and with full understanding of its consequences, as of the date set forth below.

Dated: _____, 2024

Plaintiff Josef Bernstein

Dated: 4/10/2024, 2024	PayReel, Inc. _____ DocuSigned by: <i>Todd Keener</i> By: _____ Printed Name: F6E8E9750TCF688 Todd Keener Title: CEO
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Dated: <u>April 15</u> , 2024	<u>Anheuser-Busch, LLC</u> By: <u>[Signature]</u> Printed Name: <u>LUCAS T PEWDRY</u> Title: <u>Associate General Counsel</u>
Dated: <u>Apr 12, 2024</u> , 2024	<u>Endeavor Operating Company, LLC</u> By: <u>ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90</u> ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90 (Apr 12, 2024 14:51 EDT) Printed Name: <u>ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90</u> Title: <u>President</u>
Dated: <u>Apr 12, 2024</u> , 2024	<u>One Sixty Over Ninety, LLC</u> By: <u>ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90</u> ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90 (Apr 12, 2024 14:51 EDT) Printed Name: <u>ED HORNE ENDEAVOR GLOBAL MARKETING - 160-90</u> Title: <u>President</u>

Approved as to form

Dated: April 10, 2024

Armond M Jackson
Armond M. Jackson
Andrea Fernandez-Jackson
Anthony S. Filer, Jr.

Jackson Law, APC
Counsel for Plaintiff Josef Bernstein

Dated: _____, 2024

Timothy B. Nelson
Kyle W. Owen

Medina McKelvey, LLP
Counsel for PayReel, Inc.

Dated: _____, 2024

Max Fischer
Brian D. Fahy
Camille A. Watson

Dated: _____, 2024	_____ Anheuser-Busch, LLC By: _____ Printed Name: _____ Title: _____
Dated: _____, 2024	_____ Endeavor Operating Company, LLC By: _____ Printed Name: _____ Title: _____
Dated: _____, 2024	_____ One Sixty Over Ninety, LLC By: _____ Printed Name: _____ Title: _____

Approved as to form

Dated: _____, 2024

 Armond M. Jackson
 Andrea Fernandez-Jackson
 Anthony S. Filer, Jr.

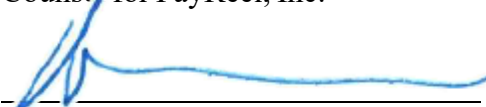
Jackson Law, APC
 Counsel for Plaintiff Josef Bernstein

Dated: April 10, 2024


 Timothy B. Nelson
 Kyle W. Owen

Medina McKelvey, LLP
 Counsel for PayReel, Inc.

Dated: April 11, 2024


 Max Fischer
 Brian D. Fahy
 Camille A. Watson

Morgan, Lewis & Bockius LLP
Counsel for Endeavor Operating Company,
LLC, 160over90, and Anheuser-Busch, LLC

EXHIBIT B



Outlook

Thank you for your Proposed Settlement Submission

From DIR PAGA Unit <no-reply@formassembly.com>**Date** Fri 4/4/2025 11:02 AM**To** Armond Jackson <ajackson@jacksonapc.com>

04/04/2025 11:01:49 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.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private Attorneys General Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)

EXHIBIT C

INVOICE

Company Logo

Jackson APC,

BILL TO

Josef Bernstein

Invoice Number: 704
Invoice Date: 4/4/2025
Terms: 30

Due Date: **5/4/2025**
Amount Due: **\$12,193.41**
Invoice Start Date:
Invoice End Date:

TIME

Date	Description	Team Member	Code	Code 2	Rate	Hours	Total
							\$0.00

EXPENSES

Date	Description	Code	Code 2	Qty	Price	Unit	Total
05/19/21	Mailed out Letter to Request Personnel File			5	0.71	1	3.55
05/17/22	LWDA PAGA Filing Fee			1	75.00	1	75.00
05/17/22	US Postal Service			1	31.71	1	31.71
03/02/23	One Legal Invoice 14375161			1	1,452.15	1	1,452.15
03/13/23	Janney and Janney 7206535-02			1	86.50	1	86.50
03/13/23	Janney and Janney 7206535-01			1	101.50	1	101.50
03/16/23	Janney and Janney 7206535-04			1	101.50	1	101.50
04/04/23	Janney and Janney 7206535-03			1	170.16	1	170.16
07/24/23	AAA- Demand for Arb filing fee - Invoice No. 034238			1	350.00	1	350.00

07/24/23	MAIL-OUT: Demand for Arbitration	3	3.03	1	9.09
09/08/23	Judicate West Invoice Number: 607112	1	8,375.00	1	8,375.00
03/21/25	One Legal PAGA COMPLAINT; SUMMONS; CIVIL CASE AND ADDENDUM.	1	1,437.25	1	1,437.25
					\$12,193.41

FLAT FEE

Date	Description	Code	Code 2	Qty	Price	Unit	Total
							\$0.00

Invoice Total:	\$12,193.41
Amount Paid:	(\$0.00)
Amount Due:	\$12,193.41

EXHIBIT D

INVOICE

Company Logo

Jackson APC,

BILL TO

Josef Bernstein

Invoice Number: 703
Invoice Date: 4/4/2025
Terms: 30

Due Date: **5/4/2025**
Amount Due: **\$67,861.50**
Invoice Start Date:
Invoice End Date:

TIME

Date	Description	Team Member	Code	Code 2	Rate	Hours	Total
05/17/22	Finalize and file PAGA complaint	Anthony Filer			250.00	0.20	50.00
02/03/23	Completed initial class complaint	Anthony Filer			250.00	1.00	250.00
02/06/23	Researched public records regarding overlapping officers in Defendant entities with regard to single enterprises.	Armond Jackson			725.00	2.10	1,522.50
02/09/23	Researched law surrounding related entities, corporate structure, number of locations of Defendant.	Armond Jackson			725.00	1.30	942.50
02/13/23	Pre-Lawsuit Investigation of the Key Facts with a Focus on Class Certification Elements, Including Adequacy, Typicality, Superiority, and Commonality.	Armond Jackson			725.00	2.90	2,102.50
02/15/23	Analysis to determine the financial condition of a hospitality company.	Armond Jackson			725.00	2.70	1,957.50

02/17/23	Researched size, business profile, related entities, and operations.	Armond Jackson	725.00	3.90	2,827.50
02/20/23	Researched case theory for class claims.	Armond Jackson	725.00	2.90	2,102.50
02/23/23	Drafted complaint.	Armond Jackson	725.00	2.30	1,667.50
02/27/23	Investigation of Defendant's Organizational and Corporate Structure, and Executive Reporting Structure as it Relates to the Employment and Management of the Putative Class Members.	Armond Jackson	725.00	2.90	2,102.50
02/28/23	Prepared discovery strategy plan of action, including topics re: certification, liability and damages.	Armond Jackson	725.00	2.70	1,957.50
03/01/23	Drafted and filed complaint.	Armond Jackson	725.00	1.60	1,160.00
03/07/23	Analysis of competitors within various relevant geographic areas within which Defendants operate, and comparing and contrasting the defendant's policies, practices, and procedures with the policies, practices, and procedures of the defendant's competitors.	Armond Jackson	725.00	3.60	2,610.00
03/15/23	Reviewed proof of service against Payreel.	Armond Jackson	725.00	0.20	145.00
03/16/23	Investigation of defendants executives, officers, and leadership with focus on involvement in wage and- hour issues establishing willfulness and uniformity.	Armond Jackson	725.00	2.80	2,030.00
03/20/23	Investigating Defendant's Organizational and Corporate Structure and Executive Reporting Structure related to employment and	Armond Jackson	725.00	2.90	2,102.50

management of class members and aggrieved employees.

03/21/23	Review Arbitration Agreement	Anthony Filer	250.00	0.20	50.00
03/21/23	Read email re: arbitration agreement.	Armond Jackson	725.00	0.20	145.00
03/23/23	Review emails re: arbitration agreement	Anthony Filer	250.00	0.10	25.00
03/23/23	Comparative analysis and cross-checking of all available job postings by Defendants to determine any variation and identification of job duties and responsibilities that would be susceptible to being performed off-the clock or during meal breaks or rest breaks.	Armond Jackson	725.00	2.90	2,102.50
03/28/23	Review emails re: NAR	Anthony Filer	250.00	0.10	25.00
04/03/23	Review emails re: NAR	Anthony Filer	250.00	0.10	25.00
04/05/23	Review Defs' Answers to Complaint	Anthony Filer	250.00	0.30	75.00
04/07/23	Follow up re: Federal filings	Anthony Filer	250.00	0.60	150.00
04/24/23	Review emails re: MTC arbitration	Anthony Filer	250.00	0.10	25.00
04/25/23	Review stipulation and proposed order	Anthony Filer	250.00	0.10	25.00
04/27/23	Follow up re: Rule 26(f) report	Anthony Filer	250.00	0.20	50.00
04/27/23	Joint Signed Report	Yesenia Villalba	145.00	0.10	14.50
05/01/23	Reviewed client folder began initial draft of client Class Complaint	Anthony Filer	250.00	0.50	125.00
05/02/23	Reviewed client intake drafted PAGA letter	Anthony Filer	250.00	1.10	275.00
05/15/23	Review emails re: arbitration agreement	Anthony Filer	250.00	0.10	25.00

05/17/23	Review Motion to Compel Arbitration	Anthony Filer	250.00	0.30	75.00
05/18/23	Review Joinder in Notice of Motion	Anthony Filer	250.00	0.10	25.00
06/07/23	DRafted opposition to motion to compel.	Armond Jackson	725.00	5.10	3,697.50
06/07/23	Drafted opposition to motion to compel arbitration.	Armond Jackson	725.00	1.50	1,087.50
06/07/23	Review opposition to Def's MTC Arbitration	Anthony Filer	250.00	0.10	25.00
06/12/23	Review email re: Joint Rule 26(f) Report	Anthony Filer	250.00	0.10	25.00
06/14/23	Review Reply in Support of MTC arbitration	Anthony Filer	250.00	0.10	25.00
06/15/23	Joint Report (Federal) Joint Rule (26f)	Yesenia Villalba	145.00	1.50	217.50
06/16/23	Review drafted Joint Rule 26(f) report	Anthony Filer	250.00	0.10	25.00
06/19/23	Review emails re: Joint Rule 26(f) report	Anthony Filer	250.00	0.10	25.00
06/20/23	Follow up re: Joint Rule 26 (f) Report	Anthony Filer	250.00	0.20	50.00
06/30/23	Review notice re: Continuance / Follow up re: Scheduling Conference	Anthony Filer	250.00	0.30	75.00
07/02/23	Prep for Scheduling Conf.	Anthony Filer	250.00	0.50	125.00
07/03/23	Prep for / attend Scheduling Conf.	Anthony Filer	250.00	1.00	250.00
07/05/23	Review tentative ruling	Anthony Filer	250.00	0.20	50.00
07/07/23	Reviewed tentative ruling.	Armond Jackson	725.00	1.10	797.50
07/07/23	Review email re: Motion to Compel / Drafted Demand for Arbitration	Anthony Filer	250.00	0.50	125.00
07/07/23	Review emails re: meet & confer	Anthony Filer	250.00	0.10	25.00
07/07/23	Drafted AAA Arbitration Demand	Anthony Filer	250.00	0.30	75.00

07/10/23	Review emails re: meet & confer	Anthony Filer	250.00	0.20	50.00
07/10/23	Drafted Demand for Arbitration	Anthony Filer	250.00	0.50	125.00
07/12/23	Review email re: meet & confer	Anthony Filer	250.00	0.10	25.00
07/13/23	Review emails re: potential mediators	Anthony Filer	250.00	0.10	25.00
07/18/23	Review email re: tolling agreement	Anthony Filer	250.00	0.10	25.00
07/19/23	Review emails re: tolling / mediation	Anthony Filer	250.00	0.20	50.00
07/24/23	Review Demand for Arbitration	Anthony Filer	250.00	0.30	75.00
07/26/23	Review emails re: arbitration / mediators	Anthony Filer	250.00	0.10	25.00
08/11/23	Review emails re: arbitration/mediation	Anthony Filer	250.00	0.20	50.00
08/14/23	Review arbitration invoice	Anthony Filer	250.00	0.20	50.00
08/22/23	Review emails re: selection of mediator	Anthony Filer	250.00	0.20	50.00
08/23/23	Review emails re: selection of mediator	Anthony Filer	250.00	0.20	50.00
09/01/23	Review correspondence re: mediation	Anthony Filer	250.00	0.10	25.00
09/07/23	Review correspondence re: mediation	Anthony Filer	250.00	0.20	50.00
09/08/23	Review email re: scheduled mediation	Anthony Filer	250.00	0.10	25.00
09/11/23	Review draft Joint Stipulation	Anthony Filer	250.00	0.10	25.00
09/12/23	Review email re: Joint Stipulation to Stay Arbitration	Anthony Filer	250.00	0.10	25.00
09/15/23	Review Joint Stipulation to Stay	Anthony Filer	250.00	0.10	25.00
09/18/23	Review email re: informal discovery requests	Anthony Filer	250.00	0.10	25.00
12/11/23	Review mediation invoice	Anthony Filer	250.00	0.10	25.00

12/14/23	Review invoice	Anthony Filer	250.00	0.10	25.00
12/14/23	Reviewed pay date and analyzed pay data.	Armond Jackson	725.00	3.10	2,247.50
12/15/23	Review email re: informal discovery	Anthony Filer	250.00	0.10	25.00
12/15/23	Reviewed pay date and analyzed pay data.	Armond Jackson	725.00	2.90	2,102.50
12/19/23	Review Notice of New Case Manager	Anthony Filer	250.00	0.10	25.00
12/19/23	Review email re: informal discovery	Anthony Filer	250.00	0.10	25.00
12/19/23	Reviewed pay date and analyzed pay data.	Armond Jackson	725.00	3.60	2,610.00
12/21/23	Reviewed pay date and analyzed pay data.	Armond Jackson	725.00	3.70	2,682.50
01/08/24	Prep for / attend mediation	Anthony Filer	250.00	5.00	1,250.00
01/08/24	Prepared for and attended mediation.	Armond Jackson	725.00	5.00	3,625.00
01/09/24	Review emails re: settlement	Anthony Filer	250.00	0.10	25.00
02/05/24	Draft PAGA Settlement Agreement	Anthony Filer	250.00	1.00	250.00
02/08/24	Review Joint Mediation Report	Anthony Filer	250.00	0.10	25.00
02/09/24	Review email re: Joint Mediation Report	Anthony Filer	250.00	0.10	25.00
02/16/24	Drafted and sent settlement agreement	Armond Jackson	725.00	5.90	4,277.50
03/07/24	Revised settlement agreement.	Armond Jackson	725.00	1.30	942.50
03/07/24	Review Long Form Settlement Agreement	Anthony Filer	250.00	0.10	25.00
03/08/24	Review Long Form Settlement Agreement	Anthony Filer	250.00	0.10	25.00
03/15/24	Review email re: long form settlement agreement	Anthony Filer	250.00	0.10	25.00
03/26/24	Review emails re: long form settlement	Anthony Filer	250.00	0.10	25.00

04/01/24	Review emails re: settlement agreement	Anthony Filer	250.00	0.20	50.00
04/01/24	Reviewed PAGA settlement agreement.	Armond Jackson	725.00	0.40	290.00
04/04/24	Review PAGA Settlement Agreement	Anthony Filer	250.00	0.10	25.00
04/10/24	Review revised settlement agreement	Anthony Filer	250.00	0.20	50.00
04/15/24	Review fully executed settlement agreement	Anthony Filer	250.00	0.10	25.00
05/03/24	Review email re: settlement approval	Anthony Filer	250.00	0.10	25.00
05/20/24	Drafted email re: settlement correspondence.	Armond Jackson	725.00	0.20	145.00
05/20/24	Review emails re: MPA	Anthony Filer	250.00	0.10	25.00
10/02/24	Drafted PAGA approval motion.	Armond Jackson	725.00	1.50	1,087.50
10/16/24	Continued drafting PAGA approval motion.	Armond Jackson	725.00	4.90	3,552.50
10/17/24	Finalized PAGA approval motion.	Armond Jackson	725.00	3.90	2,827.50
01/09/25	Drafted notice of settlement.	Armond Jackson	725.00	0.40	290.00
03/06/25	Reviewed PAGA approval motion.	Armond Jackson	725.00	0.90	652.50
03/20/25	Drafted PAGA Complaint for filing.	Armond Jackson	725.00	0.70	507.50
03/20/25	Summons, Civil Case Cover Sheet; Civil Case Addendum	Yesenia Villalba	145.00	0.60	87.00
04/01/25	Notices of Acknowledgement 4 for different defendants	Yesenia Villalba	145.00	1.00	145.00
04/03/25	Finalized the drafting of the PAGA approval papers.	Armond Jackson	725.00	2.10	1,522.50
				\$67,861.50	

EXPENSES

Date	Description	Code	Code 2	Qty	Price	Unit	Total
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\$0.00

FLAT FEE

Date	Description	Code	Code 2	Qty	Price	Unit	Total
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\$0.00

Invoice Total:	\$67,861.50
Amount Paid:	(\$0.00)
Amount Due:	\$67,861.50

EXHIBIT E



JACKSON APC
jacksonapc.com
2 Venture Plaza, Suite 240
Irvine, CA 92618

ARMOND M. JACKSON
949.226.7027 Direct
949.281.6857 Main
ajackson@jacksonapc.com

May 17, 2022

Sent by Certified Mail to Payreel, Inc., Anheuser-Busch, LLC, 160over90, and Endeavor Operating Company, LLC

Submitted Via Online to Labor and Workforce Development Agency

Payreel, Inc.

211 Violet Street #100
Golden, Colorado 80401

Agent for Service of Process for Payreel, Inc.

CSC - Lawyers Incorporating Service

Attn: Becky DeGeorge
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Anheuser-Busch, LLC

One Busch Place
St. Louis, MO 63118

Agent for Service of Process for Anheuser-Busch, LLC

CT Corporation System

Attn: Amanda Garcia
330 N. Brand Blvd., Suite 700
Glendale, CA 91203

Armond M. Jackson, Esq.
Re: Josef Bernstein v.
Payreel, Inc., et al.
May 17, 2022
Page 2

160over90

12400 Wilshire Blvd
Suite 1300
Los Angeles, CA 90025

Endeavor Operating Company, LLC

9601 Wilshire Boulevard, 3rd Floor
Beverly Hills, CA 90210

Agent for Service of Process for Endeavor Operating Company, LLC

CSC - Lawyers Incorporating Service

Attn: Becky DeGeorge
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Labor and Workforce Development Agency

Attn: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

PRIVATE ATTORNEY GENERAL ACT (PAGA) NOTICE

PURSUANT TO LABOR CODE § 2699

Re: Notice Pursuant to California Labor Code Section 2699

Violations of California Labor Code Sections 201, 202, 203, 210 226(a) 1-2, 4-5, 9, 226.3, 226.7, 510, 512, 558, 1194, and 2802

Violations of California Labor Code Section 1198 (Industrial Welfare Commission Order Nos. 1-2001, 7-2001, 11-2001, 12-2001, (“Wage Orders 1, 4, 7, 11, 12”), Sections 3, 7, 11 and 12

Labor and Workforce Development Agency Right to Investigate and Issue a Citation (Lab. Code § 2699.3)

Josef Bernstein v. Payreel, Inc., et al.

Dear Payreel, Inc., Anheuser-Busch, LLC, Endeavor Operating Company, LLC, 160over90, and PAGA Administrator:

This letter is issued pursuant to Labor Code § 2698, et seq. (Specifically Labor Code § 2699(f)), which provides notice to the PAGA Administrator, and Payreel, Inc. by Josef Bernstein (“Mr. Bernstein” or “Plaintiff”), on behalf of all aggrieved current and former similarly-situated

2 Venture Plaza, Suite 240 | Irvine, CA 92618 | Tel: 949-281-6857 | Fax: 949-777-6218

JACKSON APC

employees of Payreel, Inc. ("Payreel"), Anheuser-Busch, LLC ("Anheuser-Busch"), endeavor Operating Company, LLC ("Endeavor"), and 160over90 ("160") (collectively referred to herein as "Defendants" or "Defendant") in California for all California nonexempt employees, a private right of action under the Private Attorney General Act (PAGA) of 2004.

As a prerequisite to prosecuting this private action in superior court, Mr. Bernstein is required to provide notice by certified mail to the Labor and Workforce Development Agency and the employers regarding each violation, along with facts and theories supporting each violation as mentioned below. (Labor Code § 2699.3) If you have any questions regarding this letter, please contact Armond M. Jackson, Esq. at Jackson APC at 949-281-6857 or via email at ajackson@jacksonapc.com.

Facts and Theories

Defendant Payreel, is a payroll management company doing business in California. Anheuser-Busch, LLC is the large brewing company based in St. Louis doing business in California. Endeavor and 160 are brand and public relations companies both doing business in California. Payreel, Anheuser-Busch, Endeavor and 160 all controlled Mr. Bernstein and similarly situated employees with wages hours and working conditions and considered joint employers under California law and pursuant to California Labor Code section 2810.3 This letter encompasses violations for all of Defendants' nonexempt California employees entitled to the California Labor code protections.

Mr. Bernstein worked as a brand ambassador and did general laborer tasks. As a nonexempt employee, Mr. Bernstein performs job duties such as representing companies and their products to the media and customers in a positive manner, as well as engaging consumers by offering samples and educating them on the products, also he helped with formulating, and developing, and maintaining strong communication links with customers.

In addition, throughout Mr. Bernstein's employment, he has worked above 4-hour plus shifts and was not authorized or permitted to take an uninterrupted 10-minute rest break each four hours at a reasonably practicable time for approximately 5 to 20 shifts each month. Defendants also had a policy that required, Mr. Bernstein and other aggrieved employees were also require to be on-call during and were subject to interrupted meal breaks and rest breaks. In general Mr. Bernstein is not allowed meal and rest breaks due to the high volume of work.

Defendants do not compensate Mr. Bernstein with his premium wages when he is subjected to late, short, missed, on-call, interrupted, on-premises, or missed meal breaks and rest breaks in violation of California Labor Code section 226.7, 512, and Wage Orders 1, 4, 7, 11, and 12, Sections 11 and 12 approximately 10 to 20 shifts each month. Other similarly situated employees deployed to work at Defendants are under the same conditions as Mr. Bernstein.

Moreover, Defendants fails to incorporate Mr. Bernstein's premium wages and hours' worth of work on his wage statements as required by California Labor Code section 226(a). All other similarly situated employees were subjected to the same working conditions as Mr. Bernstein, such as not being provided with their entitled meal breaks and rest breaks as stated above or paid premium wages, nor were the hours' worth of work or premium wages disclosed on their wage statements.

Defendants also required Mr. Bernstein and other similarly situated employees to travel for work but failed to reimburse the employees' travel time and expenses such as gas mileage associated with this travel. Mr. Bernstein and other similarly situated employees were required to travel to meet with staff and customers for each shift. Defendants did not compensate Mr. Bernstein and other similarly situated employees for business expenses associated with having to travel for work.

In addition, Mr. Bernstein and other aggrieved employees were required to perform work-related travel while off-the-clock. Mr. Bernstein and other aggrieved employees had to travel for work while Defendants would not allow employees to incorporate this additional time into their work hours going so far as to manipulate employees' timesheets and not fully compensating for time spent on the job.

Lastly, Defendants, on a company-wide basis, required that Mr. Bernstein and other similarly situated employees use their own personal cellular phones to carry out their job duties, but failed to reimburse them for the costs of their work-related cellular phone expenses. Mr. Bernstein was required to use his personal cellphone due to consistently communicate with staff and clients. Although Defendants required Mr. Bernstein and other similarly situated employees to utilize their personal cellular phones to carry out their work-related responsibilities, Defendants did not reimburse them for this cost.

By virtue of requiring Mr. Bernstein to work off-the-clock and Defendants, not providing and/or not authorizing or permitting Mr. Bernstein and all other similarly situated employees to take uninterrupted meal breaks or rest periods, not providing and/or not reimbursing Mr. Bernstein and all other similarly situated employees for work-related expenses, and failing to incorporate the hours worked and wages earned on the itemized wage statements disclosing total hours worked, total gross wages earned, and net wages earned, among other violations, Defendants are violating California Labor Code Sections 201, 202, 203, 221, 226(a), 226.3, 226.7, 246, 510, 512, 1194, 2802, 6401, and 6403, and Wage Orders 1, 4, 7, 11 and 12, Sections 3, 7, 11 and 12.

Violation of California Labor Code § 210

According to Labor Code section 210, an employer may not fail to pay the wages of each employee. Here, Defendants failed to pay for all hours worked due to requiring employees to work

off-the-clock, by virtue of failing to provide employees uninterrupted meal and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of California Labor Code § 221

It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee. Again, here, Defendants fail to pay for all hours worked due to requiring employees to work off-the-clock, by virtue of failing to provide employees uninterrupted meal and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of California Labor Code § 226(a)

Labor Code § 226 (a) requires employers to provide “accurate itemized statement in writing” each pay period that includes nine categories of information. These categories include (1) gross wages earned, (2) total hours worked, (4) deductions taken, (5) net wages earned, 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 (See Labor Code §226, subsection (a)). Any employer who has violated California Labor Code Section 226(a) will also be subject to penalties under California Labor Code Section 226.3. These records must be maintained for a period of at least three years. It is Mr. Bernstein’s contention that Defendants are in violation of the following California Labor Codes.

Violation of 226 (a)(1)

Section a (1) requires gross wages to be inserted on an employee’s paystubs. Mr. Bernstein’s and other similarly situated employees’ paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Mr. Bernstein and other similarly situated employees worked off-the-clock during their entitled meal periods and rest periods but Defendants did not compensate them for those extra hours’ worth of work while off-the-clock nor did Defendants disclose or record the extra hours’ worth of gross wages earned on their paystubs for failing to provide the entitled meal breaks and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of 226 (a)(2)

Section (a)(2) requires the total hours worked by the employee to be inserted on an employee’s paystubs. Mr. Bernstein and other similarly situated employees’ paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Mr. Bernstein and other similarly situated employees worked off-the-clock and during their entitled meal periods and rest periods but Defendants did not compensate them for that extra hours’ worth of work while off-the-clock nor did Defendants disclose or record the extra hours’

worth of gross wages earned on their paystubs for failing to provide the entitled meal breaks and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of 226 (a)(4)

Section a (4) requires all deductions out of the employees' wages to be inserted on an employee's paystubs. Mr. Bernstein and other similarly situated employees' paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Mr. Bernstein and other similarly situated employees worked off-the-clock and during their entitled meal periods and rest periods but Defendants did not compensate them for that extra hours' worth of work while off-the-clock nor did Defendants disclose or record the extra hours' worth of gross wages earned on their paystubs for failing to provide the entitled meal breaks and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of 226 (a)(5)

Section a (5) requires net wages to be inserted on an employee's paystubs. Mr. Bernstein's and other similarly situated employees' paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Mr. Bernstein's and other similarly situated employees worked off-the-clock and during their entitled meal periods and rest periods but Defendants did not compensate them for that extra hours' worth of work while off-the-clock nor did Defendants disclose or record the extra hours' worth of gross wages earned on their paystubs for failing to provide the entitled meal breaks and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of 226 (a)(9)

Section a (9) requires all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Mr. Bernstein's and other similarly situated employees' paystubs did not accurately reflect their gross wages earned by virtue of excluding hours worked and wages earned because Mr. Bernstein and other similarly situated employees worked off-the-clock and during their entitled meal periods and rest periods but Defendants did not compensate them for that extra hours' worth of work while off-the-clock nor did Defendants disclose or record the extra hours' worth of gross wages earned on their paystubs for failing to provide the entitled meal breaks and rest breaks and time spent traveling for work and performing off-the-clock work.

Violation of California Labor Code Sections 201, 202, 203, 226.7, 510, 512, 1194, 1198, Wage Orders 1, 4, 7, 11, and 12, Sections, 3, 7, 11 and 12

An employer must provide meal periods and rest periods pursuant to an applicable order of the Industrial Welfare Commission (See Lab. Code §226.7, 512).

Under Labor Code § 1198 an employer is required to comply with the standard conditions of labor required in the orders set by the Industrial Welfare Commission, Wage Orders 1, 4, 7, 11, and 12.

Under these circumstances, Mr. Bernstein's position at Defendants falls within Wage Orders 1, 4, 7, 11, and 12 as Defendants employed Mr. Bernstein as a nonexempt employee classified as an employee. Thus, all sections and subsections that pertain to California Wage Orders 1, 4, 7, 11, and 12 below are applicable to Mr. Bernstein and all similarly situated aggrieved employees within these Wage Orders were employed or remain employed by Defendants.

California Labor Code sections 226.7, 512, Wage Orders 1, 4, 7, 11, and 12, Section 11 states no employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a 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 employee. Unless the employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an on-duty meal period and counted as time worked. An on-duty meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time. (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

Mr. Bernstein and other similarly situated employees do not receive their entitled uninterrupted meal periods during their employment at Defendants while regularly working above 5- and 10-hour shifts. Moreover, Mr. Bernstein and other similarly situated employees are not provided with their meal periods in the middle of each work period as required and as reasonably practicable. As stated above, Mr. Bernstein and other similarly situated employees are subjected to on-premises, on-call, abbreviated, interrupted, missed or late meal periods. Nor are they compensated for working through their meal periods or for failing to be provided with meal periods in violation of California Labor Code Section 226.7, 512 and Wage Orders 1, 4, 7, 11, and 12, Section 11.

California Labor Code sections 226.7, 512, Wage Orders 1, 4, 7, 11, and 12, Section 12 states every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages. (B) If an employer

fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided that were short, interrupted, on-premises, on-call, late or not taken at all.

Mr. Bernstein and other similarly situated employees did not receive their entitled uninterrupted rest periods or meal breaks during their employment at Defendants while regularly working above 4-hour shifts.

California Labor Code Section 510, and 1194, Wage Orders 1, 4, 7, 11, and 12, Section 3

Section 3 lays out the requirements for overtime pay applicable to employees working in similar establishments such as Defendants'. If an employee works in excess of eight (8) hours in any one day, or over forty (40) hours in one week, those hours must be paid at the rate of one and one-half (1.5) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours and up until twelve (12) hours in any day. Any hour worked in excess of 12 hours in any workday is to be paid at the rate of double the employee's regular rate of pay.

Moreover, if any employee works (7) consecutive days, the employee shall be paid one and one-half (1.5) times his or her regular pay for the first eight (8) hours. Any hours worked in excess of eight (8) hours on the seventh consecutive day must be paid at twice the employee's regular rate of pay.

Violation of California Labor Code Section 510

Work in excess of eight hours in one workday and/or 40 hours in one workweek, and the first eight hours on the seventh day of work in any workweek must be compensated at no less than one and one-half times the employee's regular rate of compensation (See Lab. Code §510). "Double time" is required after twelve hours in any workday, after eight hours on the seventh day of work. Mr. Bernstein and other similarly situated employees are not paid overtime for hours worked in excess of 8 hours per day or forty hours per week, because they worked through shifts above 8 hours per day and 40 hours per week and not paid overtime rates and minimum wage rates for time spent traveling for work and performing off-the-clock work. The employees are not provided with overtime and minimum wage compensation for this time for time spent traveling for work and performing off-the-clock work.

Violation of California Labor Code Section 558

Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty in addition to recover unpaid wages (See Lab. Code §558).

Violation of California Labor Code Section 1194

Any employee receiving less than the legal minimum wage or overtime compensation applicable to the employee is entitled to recover, in a civil action, the unpaid balance of the full amount of the minimum wage or overtime compensation including interest, reasonable attorney's fees, and costs of suit (See Lab. Code §1194). Mr. Bernstein and other similarly situated employees are not paid all overtime and minimum wages for all hours worked including those hours in excess of 8 hours per day or forty hours per week because they worked overtime hours not paid at these overtime rates due to Defendants' failing to pay for time spent traveling for work and performing off-the-clock work.

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

First, Mr. Bernstein and other similarly situated employees are required to use their own personal cellular phones and/or cellular data to carry out their job duties, but Defendant fails to reimburse them for the costs of their work-related cellular phone expenses. Mr. Bernstein and other similarly situated employees are required to use their personal cellular phones to complete their work-related tasks such as contacting supervisors. Although Defendants required Mr. Bernstein and other similarly situated employees to utilize their personal cellular phones to carry out their work-related responsibilities, Defendants fail to reimburse them for this cost.

Second, Defendants, on a company-wide basis, mandated that Mr. Bernstein and other similarly situated employees travel while they are at work. Mr. Bernstein and other similarly

situated employees incurred gas mileage and other expenses associated with being required to travel for Defendants' but employees are not reimbursed fully for these costs.

Defendants could provide Mr. Bernstein and other similarly situated employees with the actual tools for use on the job, such as a cell phone, and reimburse employees for their travel expenses, such as gas mileage, to be used for fulfilling work-related tasks. Instead, Defendants passes these operating costs off onto Mr. Bernstein and other similarly situated employees.

Thus, Defendants had, and continue to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802.

Wage Orders 1, 4, 7, 11, and 12, Section -7- Records

Section 7 sets out the requirements for the maintenance of employee records by an employer. Subsection (A) requires employers to "keep accurate information with respect to each employee" regarding identification information, including their "[f]ull name, home address, occupation and social security number," "[time records showing when the employee begins and ends each work period," "[meal periods," and [t]otal hours worked in the payroll period and applicable rates of pay."

Subsection (B) requires an employer to provide accurate, itemized statements showing deductions and the dates of the pay period. Subsection (C) requires such records to be kept for three (3) years and made available on request.

As discussed above, Defendants fail to incorporate the extra hours' worth of work when Mr. Bernstein and other similarly situated employees clocked in and out without being paid premium wages. The extra hours' worth of work at the applicable rate of pay was not disclosed on the itemized wage statements in violation of Wage Orders 1, 4, 7, 11, and 12, Section 7 Records.

Conclusion

As a consequence of Defendants' violations of California Labor Code Sections 201, 202, 203, 210, 221, 226(a), 226.3, 226.7, 246, 510, 512, 558, 1194, 2802, and Wage Orders 1, 4, 7, 11, and 12, Sections 3, 7, 11 and 12, Mr. Bernstein seeks penalties for each violation as an individual and on behalf of all aggrieved employees against Defendants.

Sincerely,

Jackson Law, APC

/s/ Armond M. Jackson

Armond M. Jackson

EXHIBIT F

LAFFEY MATRIX

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			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375

6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363
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The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* $i_{\frac{1}{2}}$ Years Out of Law School $i_{\frac{1}{2}}$ is calculated from June 1 of each year, when most law students graduate. $i_{\frac{1}{2}}1-3$ " includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $i_{\frac{1}{2}}4-7$ " applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $i_{\frac{1}{2}}1-3$ " from June 1, 1996 until May 31, 1999, would move into tier $i_{\frac{1}{2}}4-7$ " on June 1, 1999, and tier $i_{\frac{1}{2}}8-10$ " on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.