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SUPERIOR COURT OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN BERNARDINO

PHILLIP INIGUEZ, on behalf of the State
of California, and others similarly situated
and aggrieved,

Plaintiff,

v.

REVCHEM COMPOSITES, INC., a
California Corporation; and DOES 1-100,
inclusive,

Defendants.

Case No.: CIVSB2218779

Assigned for all purposes to
Hon. Kevin Lee
Dept. S-26

DECLARATION OF NIKKI TRENNER IN
SUPPORT OF MOTION FOR APPROVAL OF
SETTLEMENT UNDER PRIVATE
ATTORNEYS GENERAL ACT

Date: September 2, 2026
Time: 8:30 a.m.
Dept.: S-26

1 reimburse expenses, and (e) failure to pay wages due on separation of employment. The Court
2 subsequently granted Defendant's motion to compel arbitration and sent Plaintiff's individual
3 claims to arbitration, dismissed the class claims without prejudice, and stayed the representative
4 PAGA claims. On May 11, 2023 Plaintiff then filed his Demand for Arbitration with JAMS on
5 his individual claims, including his individual PAGA claim.

6 6. After meeting and conferring, the Parties eventually agreed to attempt mediation
7 before expending significant time and expense on the arbitration, and agreed to stay the
8 arbitration pending mediation.. The Parties also agreed to and did informally exchange
9 information to permit both sides to evaluate Plaintiff's allegations and pursue meaningful
10 settlement negotiations. Through this informal discovery, Defendant provided Plaintiff with
11 information including, inter alia, Plaintiff's personnel file, the number of potential Aggrieved
12 Employees, the number of aggregate pay periods, pay stubs and time records for a sampling of
13 the Aggrieved Employees, and relevant policy documents regarding Defendant's time keeping
14 and reporting policies and meal and rest break policies, among other pertinent materials.

15 7. In August 2025, the Parties mediated the case with Scott Radovich, Esq., a
16 respected professional neutral with extensive class action/wage and hour experience. Before and
17 during the mediation, Plaintiff and his counsel analyzed, researched, and investigated the
18 potential issues, including matters related to the calculation of penalties, trial, and appellate issues
19 and risks. During mediation, the Parties vigorously debated the likelihood of Plaintiff's ability to
20 proceed on a representative basis as to the PAGA claims, the legal grounds for Plaintiff's claims
21 and Defendant's defenses, and the Parties' data analyses and conclusions based on data provided
22 by Defendant. After a contentious day of negotiations, the Parties reached agreement and
23 subsequently formalized their tentative settlement in the Settlement Agreement now before the
24 Court for approval.

25 **SUMMARY OF SETTLEMENT TERMS**

26 8. Under the settlement, Defendant will pay a non-reversionary settlement amount of
27 \$140,000 (the "Gross Settlement Amount" or "GSA"). The GSA is inclusive of payments to the
28 LWDA and Aggrieved Employees, costs of settlement administration (estimated at no more than

1 \$3,250), and reasonable attorney's fees and costs (Plaintiff's counsel is requesting 1/3 of the GSA
2 (\$46,666.67) in fees and costs of \$13,056.51. Plaintiff requests \$5,000 for a service award0. After
3 payment of settlement administration costs, and reasonable attorney's fees and costs from the
4 GSA, Plaintiff presently estimates about \$72,026.82 will remain (the "Net Settlement Amount" or
5 "NSA"). Seventy-five percent of the NSA (about \$54,020.11) will go to the LWDA, and the
6 remaining 25% (about \$18,006.71) will be distributed to the Aggrieved Employees in proportion
7 to the total number of Pay Periods each individual worked during the PAGA Period of July 24,
8 2021 to August 27, 2025. I estimate the average award at about \$264 per individual, and that
9 awards will range from about \$2.54 to \$538.

10 9. The Parties propose using Phoenix Settlement Administrators as the Settlement
11 Administrator. Phoenix has extensive experience administering PAGA settlements and has agreed
12 to cap its fees at \$3,250. Revchem will fund the GSA within 14 days after the Effective Date, and
13 within 14 days of funding Phoenix will mail a Notice and settlement check to all Aggrieved
14 Employees via regular First-Class U.S. Mail, using the most current, known mailing addresses
15 identified in Revchem's records. Aggrieved Employees need not submit claim forms and will
16 automatically receive a Notice and settlement check. Settlement checks will be negotiable for 180
17 days, after which time any unclaimed residual funds will be forwarded to the California State
18 Controller's Unclaimed Property Fund, subject to Court approval.

19 10. The California Supreme Court has explained that a judgment in "a representative
20 action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of
21 2004 . . . is binding not only on the named employee plaintiff but also on government agencies
22 and any aggrieved employee not a party to the proceeding." Arias v. Superior Court (2009) 46
23 Cal.4th 969, 985-86. Accordingly, the release in the Settlement Agreement narrowly releases only
24 civil penalty claims brought under PAGA. Under Arias, the order the Parties request the Court
25 enter is intended to be "binding not only on the named employee plaintiff but also on government
26 agencies and any aggrieved employee not a party to the proceeding." The Settlement Agreement
27 protects the rights of the Aggrieved Employees to bring their own individual claims should they
28 wish. For these reasons, the Parties contend the release narrowly applies only to the PAGA claims

1 alleged, and the Settlement Agreement specifically provides the Release is inapplicable to any
2 claims other than those brought under PAGA.

3 **NATURE OF THE ALLEGED VIOLATIONS**

4 11. Plaintiff first alleges Revchem failed to pay for all overtime wages due and owing,
5 and alleges Aggrieved Employees were paid additional non-discretionary compensation such as
6 non-discretionary bonuses that Defendant failed to properly incorporated into the regular rates of
7 pay for purposes of calculating overtime pay. "An employee's 'regular rate of pay' for purposes
8 of Labor Code § 510 and the IWC wage orders is not the same as the employee's straight time
9 rate (i.e., his or her normal hourly wage rate). Regular rate of pay, which can change from pay
10 period to pay period, includes adjustments to the straight time rate, reflecting, among other things,
11 shift differentials and the per-hour value of any non-hourly compensation the employee has
12 earned." Plaintiff also alleges Defendant underpaid Aggrieved Employee for the sick pay for the
13 same reasons, as sick pay likewise must be paid at the "regular rate" of pay rather than the base
14 hourly rate.

15 12. Plaintiff next alleges that Defendant had a policy and practice of failing to provide
16 compliant meal and rest periods. Plaintiff alleges he and other Aggrieved Employees regularly
17 suffered these violations directly by getting meal breaks late, having them cut short, missing first
18 meal breaks entirely, and not being provided with second meal breaks. Plaintiff also claims
19 Defendant required employees, including Plaintiff, to "waive" their second meal periods when
20 they worked shifts over 10 hours with blanket waivers required as a condition of employment.
21 Plaintiff further contends Defendant failed to fully release employees from all employer control
22 during meal and rest breaks by prohibiting certain activities, such as napping, such that the breaks
23 were not compliant. Further, Plaintiff alleges employees did not receive full 10 minute rest breaks
24 because they spent part of their rest break traveling to and from their assigned work station and
25 the break room.

26 13. On the expense reimbursement claim, Plaintiff contends employees had to use
27 personal cell phones, and that employees regularly were required to use their personal phones
28 while working to respond to phone calls and text messages from supervisors for work-related

1 purposes. An employer must reimburse employees for use of personal devices, and if the
2 employee has an unlimited monthly plan, then the employer must reimburse an amount that
3 equates to the employee's percentage of use for work.

4 14. Plaintiff also brings claims derivative of the foregoing claims, including a
5 derivative wage statement claim based on the failure to pay all wages due, and a claim for failure
6 to pay all wages due and owing upon separation of employment under Labor Code §§ 201-203.

7 **NUMBER OF ALLEGED VIOLATIONS AND POTENTIAL PENALTIES**

8 15. For mediation, Revchem indicated it employed approximately 68 non-exempt
9 employees in California during the relevant time frame, and these individuals worked
10 approximately 7,095 pay periods during that time. Based on the data provided by Defendant,
11 Plaintiff estimated Defendant's maximum PAGA exposure at approximately \$2,358,400,
12 including approximately \$85,100 on unpaid/underpaid overtime claims; \$170,200 on the meal
13 break claims, \$681,100 on the rest break claims, \$709,500 on the expense reimbursement claims,
14 about \$709,500 on the derivative claims for wage statement violations and \$3,000 for failing to
15 timely pay wages on separation of employment.

16 16. We estimated these amounts as follows:

17 **Unpaid Overtime/Regular Rate**

18 7,095 pay periods * 12% violation rate * \$100/violation = \$85,100

19 **Meal Violations**

20 7,095 pay periods * 24% violation rate * \$100/violation = \$170,200

21 **Rest Break Violations**

22 7,095 pay periods * 96% violation rate * \$100/violation = \$681,100

23 **Expense Reimbursement**

24 7,095 pay periods * 100% violation rate * \$100/violation = \$709,500

25 **Wage Statement Violations**

26 7,095 pay periods * 100% violation rate * \$100/violation = \$709,500

27 **Final Wage Violations**

28 30 former employees * 1 violation/employee * \$100/violation = \$3,000

**THE SETTLEMENT MEETS THE KULLAR FACTORS, INCLUDING THE
STRENGTH OF PLAINTIFF'S CASE, THE DISCOVERY PERFORMED, AND
AMOUNT OFFERED IN SETTLEMENT**

17. On the unpaid and underpaid overtime wage claims, Defendant emphasized its timekeeping and payroll policies are fully compliant with California law, and that it captured and paid for all hours worked by its employees at the correct hourly rates. On the unpaid overtime issues, Defendant again pointed to its compliant time and payroll policies and argued many of the pay codes at issue did need to be included in a regular rate calculation as they related to discretionary payments and otherwise were not intended as additional compensation.

18. On Plaintiff's meal and rest break claims, Revchem offered multiple defenses. First, it emphasized it authorized and permitted all necessary breaks, and that employees received full uninterrupted lunch periods as reflected in the time records. Defendant further argued that it relieved employees of all employer control while they were on their breaks and that employees were free to spend the time as they wished. Defendant further maintained that, in light of its compliant policies, whether a class member missed a meal period, received a late meal/rest period, or missed a rest break would have been aberrational and against company policy. Thus, per Defendant, these issues are not amenable to representative treatment since their resolution would require individualized inquiries as to why a break was missed or non-compliant. Defendant further argued that its meal break waivers were valid and enforceable, and that employees voluntarily and effectively waived their right to a second meal period on shifts of 10-12 hours. Finally, Defendant argued that employees received full 10 minute rest breaks and that time spent getting to and from the break room was in addition to, rather than part of, the rest break time.

19. For Plaintiff's expense reimbursement claim, Revchem emphasized its written policies prohibited employees from using their own phones while on the clock and working, and there would be no need for employees to use their personal phones to communicate with supervisors at the job site. Per Revchem, any use of personal cell phones would have been purely for personal convenience and not reimbursable as a "necessary" business expense.

20. On the alleged derivative violations of Labor Code § 226 (wage statement violations) and §§ 201-203 (waiting time penalties), both claims, since they are entirely

1 derivative, will rise or fall along with the primary claims, in addition to being subject to “good
2 faith” and other defenses available to Defendant. Accordingly, Plaintiff had to discount the value
3 of these claims significantly in light of these multiple potential defenses. Defendant also
4 contended a substantial discount should be applied to the civil penalties for these derivative (i.e.,
5 “stacked”) violations, as it would be unfair to penalize Defendant multiple times for the same
6 violation.

7 21. Defendant also emphasized PAGA gives the Court wide latitude to reduce the
8 amount of civil penalties “based on the facts and circumstances of a particular case” if “to do
9 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”
10 Labor Code § 2699(h). Several state and federal courts in California have applied significant
11 reductions to PAGA civil penalties even after plaintiffs prevailed on the merits. I am aware of
12 multiple state and federal courts in California that have ordered significant reductions in the
13 amount of PAGA penalties awarded after trial, and we accounted for this probability in evaluating
14 the settlement.

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

23 23. Although Plaintiff and his counsel believe they could have prevailed, there was no
24 such guarantee. When the risks of overcoming a manageability defense, prevailing at trial on the
25 merits on all claims, securing the maximum theoretical civil penalties, and appellate risks all are
26 factored into the equation, the settlement value is reasonable and supported. Of course, to recover
27 anywhere near the maximum penalties Plaintiff would have to shoot the moon and win both
28 liability and secure maximum penalties on all claims for every single pay period at issue, which,

1 for the reasons discussed, is unlikely. Given Defendant's various procedural and merits defenses,
2 as well as the substantial penalty reductions ordered in the cases above – which occurred after
3 trial – the proposed settlement is reasonable.

4 **SUBMISSION TO THE LWDA**

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

9 **PLAINTIFF'S SERVICE AWARD**

10 25. Pursuant to the terms of the settlement, Plaintiff seeks a modest incentive award of
11 \$5,000 for his service in bringing these claims on behalf of the State and Aggrieved Employees,
12 in addition to the individual settlement he reached with Defendant in exchange for dismissal of
13 his individual arbitration. The request is reasonable given the risks he undertook on behalf of the
14 State and Aggrieved Employees, and by contacting and retaining counsel to pursue these claims,
15 Plaintiff helped make this settlement possible for the absent employees, while shouldering the
16 risk of being liable for Defendant's litigation costs. Plaintiff also exposed himself to unwanted
17 notoriety related to filing a public lawsuit (discoverable even through a simple google search) for
18 the benefit of other employees, placing himself at risk of discrimination by future prospective
19 employers. As set forth in more detail in his declaration filed herewith, among taking many other
20 actions assisting in the successful litigation of this case, Plaintiff provided substantial factual
21 information and documents to counsel, attended numerous meetings/phone conferences with
22 counsel to discuss the case, and kept abreast of all significant developments. Accordingly, I
23 submit the requested enhancement payment to Plaintiff is appropriate and justified as part of the
24 settlement.

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

26 26. Under the terms of the Settlement Agreement, I respectfully request an award of
27 attorney's fees to my office equal to 1/3 of the total settlement amount, or \$46,666.67. A one-
28 third common fund attorney fee award is consistent with what courts have awarded Plaintiff's

1 counsel in other representative actions. Awarding attorney's fees of one-third of a gross
2 settlement amount is favored by California courts when a fund established for the common
3 benefit of others is involved, such as here.

4 27. There are several additional factors why I believe that the Court should award one-
5 third of the common fund as a reasonable attorney's fee. First, our efforts resulted in a common
6 fund settlement amount of \$140,000.00, which for the reasons explained, is fair and reasonable in
7 light of the risks/defenses Defendant raised in litigation and threatened to raise at trial and in post-
8 trial appeals. Further, this is a significant sum that furthers the purposes underlying PAGA such
9 as augmenting the state's enforcement capabilities, encouraging compliance with Labor Code
10 provisions, and deterring future non-compliance. Moreover, this result was achieved by the work
11 and success of this office, who negotiated the settlement after extensive preparation, informal
12 discovery, and an adversarial mediation.

13 28. Second, Plaintiff faced significant risks going forward with the litigation. As
14 discussed above, Defendant raised various defenses to his claims, any one of which, if successful,
15 could have decimated Plaintiff's case. Plaintiff faced risky legal issues going forward with this
16 litigation, and it would have taken several more years to realize any recovery in this action along
17 with the possibility of post-trial appeals,

18 29. Third, we are experienced class and representative action litigators, and have
19 achieved several approved PAGA settlements. This experience and expertise, combined with the
20 high quality of work performed, resulted in the settlement achieved in this case.

21 30. I graduated from Trinity Law School in 2017 and joined Mara Law Firm, PC
22 (formerly The Turley and Mara Law Firm, APLC) that same year. I later joined Crosner Legal
23 in 2020 and am currently employed as a senior associate in the wage and hour department. I
24 have solely handled wage and hour class actions and PAGA lawsuits for six (6) years. I
25 routinely write and oppose motions, draft complaints, appear before the Court at law and
26 motion and settlement hearings, engage in the discovery process, including drafting Belaire-
27 West notices and meet and confer letters.

28 31. I have obtained class certification in the following matters: *Hernandez v.*

1 *Aviation Port Services, LLC*, Kern County Superior Court Case No. BCV-18-100141. I have
2 also assisted in obtaining millions of dollars for employees in the following court-approved
3 class action and/or representative PAGA settlements: *Michael Campbell, et al. v. Symons*
4 *Emergency Specialities, Inc.*, San Bernardino County Superior Court Case No. CIVDS1903158;
5 *Amber Collins v. Danbarb, Inc., et al.*, Los Angeles County Superior Court Case No.
6 20STCV44190; *Michael Elridge v. LA Downtown Medical Center, LLC, et al.*, Los Angeles
7 County Superior Court Case No. 20STCV05951; *Anthony Leon, et al. v. Sierra Aluminum*
8 *Company, et al.*, San Bernardino County Superior Court Case No. CIVDS2010856; *Elaine*
9 *Moyal v. Cabinets To Go, LLC*, Los Angeles County Superior Court Case No. 20STCV32477;
10 *Genevieve Rangel v. Bassett Direct NC, LLC*, Orange County Superior Court Case No. 30-
11 2018-01040101-CU-OE-CXC; *Jacob Buys v. Sizewise Rentals, Inc., et al.*, Sacramento County
12 Superior Court Case No. 34-2018-00225848-CU-OE-GDS; *Alejandro Valencia v. VM Tree*
13 *Service, Inc., et al.*, Riverside County Superior Court Case No. RIC1819395; *Joshua Rael v.*
14 *Intercontinental Hotels Group Resources, Inc.*, Los Angeles County Superior Court Case No.
15 19STCV16010; *Angel Cervantez v. Valley Pallet, Inc.*, Sacramento County Superior Court Case
16 No. 34-2018-00234334-CU-OE-GDS; *Tonja Edwards-Bloodsaw v. Sandburst Convalescent*
17 *Group, LTD, et al.*, Los Angeles Superior Court Case No. 19STCV15797; *Moriah Holtegaard,*
18 *et al. v. Howroyd-Wright Employment Agency, Inc. dba AppleOne Corporation Services, et al.*,
19 Central District Court of California, Eastern Division, Case No. 5:20-cv-00509 JGB (KKx);
20 *Jade Findley, et al. v. Avenue5 Residential, LLC, et al.*, Los Angeles County Superior Court
21 Case No. 20STCV34633; *Keivan Keyhanzad v. Ryan Cars, LLC dba Pomona Kia, et al.*,
22 Riverside County Superior Court Case No. RIC1905276; *Luis Bolanos v. FSC Corporation dba*
23 *Il Pastaio Restaurant, et al.*, Los Angeles County Superior Court Case No. BC722758; *Loretta*
24 *Cannon v. Pasadena Hospital Association, LTD dba Huntington Hospital*, Los Angeles County
25 Superior Court Case No. 19STCV14554; *Nathan Kapusta v. Cardinale Motors SLO, Inc., et al.*,
26 Kern County Superior Court Case No. BCV-20-101593; and *Jesse McCauley v. Mullahey Ford,*
27 *Inc., et al.*, San Luis Obispo County Superior Court Case No. 21CV0001.

28 32. Zach Crosner is a 2010 graduate of University San Diego School of Law and he

1 has approximately thirteen years of experience as a practicing attorney. For nearly his entire
2 career, his practice has focused on litigation of wage & hour, consumer, and privacy class action
3 and representative action claims. Following graduation he immediately began working for a
4 nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he worked directly
5 with past presidents of the consumer attorneys and recipients of trial attorneys of the year awards.
6 He also worked for other firms that included former CAALA and CLAY trial attorney of the year
7 recipients. While with these firms, he advocated for the rights of consumers and employees in
8 class action litigation, civil rights and employment litigation, catastrophic injuries, insurance bad
9 faith and appellate litigation.

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

19 34. Mr. Crosner has been selected by Super Lawyers as a "Southern California
20 Rising Star" for employment and labor law consecutively from 2018 through 2023. Only 2.5%
21 of lawyers within California are named a Super Lawyer Rising Star and even less are added to
22 their Top Lists. Additionally, he has been selected as a Top 40 Under 40 Civil Plaintiff
23 Attorney by the National Trial Lawyers, invitation-only organization composed of the premier
24 trial lawyers, from 2019 through 2023. He is an active participant in advocacy groups,
25 including as an executive board member of the Wage and Hour Committee and the Legislative
26 Committee for the California Employment Lawyers Association; a member of the Grassroots
27 Advocacy Team for the National Employment Lawyers Association; Wage and Hour
28 Committee member and Class Action Committee member for the National Trial Lawyers; a

1 member of the American Association for Justice; and a member of the Pound Civil Justice
2 Institute.

3 35. Jamie Serb is a partner with Crosner Legal and head of the firm's Wage & Hour
4 practice group. She graduated from the University of California, San Diego in 2004 and
5 graduated from California Western School of Law in 2013, and has been a member of the
6 California Bar since 2013. She gained extensive experience in wage and hour litigation,
7 beginning work as a class action attorney in 2015 at the Mara Law Firm, PC (previously Turley
8 & Mara Law Firm, APLC; Turley Law Firm, APLC). She has handled wage and hour class
9 actions and PAGA lawsuits for some 10 years and has assisted in obtaining millions of dollars
10 for employees during her years of practice.

11 Jamie Serb

12 36. Kiara Bramasco received her undergraduate degree, magna cum laude, from
13 Loyola Marymount University in Political Science, and then received her JD from Loyola Law
14 School in 2018. She then spent several years with well-known plaintiff's firm Moss Bollinger,
15 first as a law clerk and then as an associate, where her practice focused on employment law,
16 particularly wage and hour class action and PAGA litigation. She joined Crosner Legal in 2021
17 and is head of the Firm's Pre-Litigation Department.

18 37. Branden Hamilton obtained her undergraduate degree from UCLA in 2004, and
19 her law degree from George Washington University in 2007. She has been affiliated with my firm
20 since 2017 and became Of Counsel with Crosner Legal in 2019, and her practice focuses almost
21 exclusively on wage and hour class and representative actions. She has spent her entire career
22 representing plaintiffs in employment litigation, including several years as an associate at well-
23 known plaintiff's firm Carlin & Buchsbaum.

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

(Sacramento Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017 (*Montelone v. Ocean Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v. First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super. Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a \$2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super. Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo Autism Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million wage and hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*, Case No. 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour class action settlement in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty. Super. Court); a \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*, Case No. 20STCV06618 (Los Angeles Cty. Super. Court); a \$1.925 million wage and hour class settlement in 224 in *Lo v. Cyberpower, Inc.*, Case

1 No. 21STCV31479 (Los Angeles Cty. Super. Ct); a \$1.19 million dollar wage and hour class
2 action settlement in 2024 in *Herrera v. Signature Flight Support LLC*, Case No. 22STCV18367
3 (Los Angeles Cty. Super. Ct.); a \$2.65 million wage and hour class action settlement in 2024 in
4 *Shilevinatz v. Airport Terminal Services*, Case No. CIVSB2229072 (San Bernardino Cty. Super
5 Ct.) and a \$1 million wage and hour class action settlement in 2025 in *Hernandez v YZER, LLC*,
6 Case No. 23CV025345 (Alameda Cty. Superior Ct).

7 39. Based upon the qualifications and experience set forth above, the following hourly
8 rates are reasonable for attorneys practicing in this area of the law in California: Zachary M.
9 Crosner \$850/hour, Jamie Serb and Nikki Trenner \$800/hour; Kiara Bramasco \$650/hour, and
10 Branden Hamilton \$650/hour.

11 40. I request the Court apply the above hourly billing rates in this case, as it reasonable
12 in the California legal market for attorneys handling wage and hour class and PAGA actions. I
13 have personal knowledge of the hourly rates charged by a number of plaintiff-side wage and hour
14 class action firms in major California legal markets for partner-level attorneys with experience
15 comparable to mine. These rates have ranged from \$750 to \$900 per hour for calendar years
16 2018-2023. Some examples include attorney Ron Makarem of Makarem & Associates in Los
17 Angeles, with 28 years of experience, \$900/hour (2023), Matthew Matern of Matern Law Group
18 in Los Angeles, with approximately 26 years of experience \$850/hour (2018); Craig Ackermann
19 of Ackermann & Tilajef, PC in Los Angeles with approximately 25 years of experience
20 \$850/hour (2021), Michael Singer and Isam Khoury of Cohelan Khoury & Singer in San Diego,
21 35 years and 45 years of experience respectively, both \$825/hour (2018), Zachary Crosner of
22 Crosner Legal PC in Los Angeles, 13 years of experience \$750/hour (2022), and James Kawahito
23 of Kawahito Law Group in Los Angeles, with approximately 16 years of experience \$750/hour
24 (2020).

25 41. The requested rates also comport with the adjusted Laffey Matrix, which provides
26 that reasonable hourly rates for attorneys with 10+ years of experience, such as Mr. Crosner, Ms.
27 Serb, and myself, are over \$800/hour. The adjusted Laffey Matrix may be found at
28 <http://www.laffeymatrix.com/see.html>.

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

10 43.. I have reviewed the work performed on the case and the billing inputted, and the
11 hours worked on this case total 142.9 attorney hours. Accordingly, Crosner Legal's lodestar totals
12 approximately \$113,535, exclusive of time for attending the hearing on the approval motion and
13 time to be incurred thereafter to implement and administer the settlement. The aggregated
14 lodestar is set forth in Exhibit 6 hereto. On a lodestar basis, the requested fees are actually less
15 than the unadorned lodestar, and accordingly there is no request to apply a lodestar modifier.

16 44. As noted, Crosner Legal has represented Plaintiff for some two years with respect
17 to this matter and has expended a significant amount of time and resources in that representation.
18 The firm agreed to litigate this case on a purely contingent basis and in so doing assumed
19 considerable risk of non-payment for its fees and costs, as discussed above, and as is the case with
20 these matters in general. Under all relevant factors (as outlined herein and in the accompanying
21 memorandum), I respectfully request the Court award the requested fees of \$84,500.00 based on
22 the common fund theory with a corresponding lodestar cross-check and no lodestar enhancement.

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

26 46. Crosner Legal's costs are \$13,056.51, including court filing/service of process
27 fees, mediation fees, and postage. Notably, the requested costs do not include any and all printing
28 and research charges. The requested costs are reasonable and uncontested and should be approved

and a true and correct itemization of the costs and expenses incurred is set forth below:

Expense Category	Amount
Court Filing Fees/Service of Process/Attorney Service	\$3,916.95
Expert Witness Fees	\$5,320.00
Mediation Fees	\$3,500.00
CourtCall	\$144.00
PAGA Filing Fee	\$75.00
Postage/Delivery	\$100.56
Total Costs and Expenses	\$13,056.51

47. For the foregoing reasons, it is respectfully requested that the Court approve the settlement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on April 7, 2026, at Los Angeles, California.



Declarant

Exhibit 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Phillip Iniguez (“Plaintiff”) and Defendant Revchem Composites, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Phillip Iniguez v. Revchem Composites, Inc., et al.*, Case No. CIVSB2218779, initiated on September 27, 2022 and pending in Superior Court of the State of California, County of San Bernardino.
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means all current and former non-exempt employees who performed work for Defendant in California at any time during the PAGA Period.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.8. “Court” means the Superior Court of California, County of San Bernardino.
- 1.9. “Defendant” means named Defendant Revchem Composites, Inc.
- 1.10. “Defense Counsel” means Mohammad N. Khan and Nishita Patel of MNK Law, APC.
- 1.11. “Effective Date” means the date by when the Court enters a Judgment on its Order Approving the PAGA Settlement.

- 1.12. “Gross Settlement Amount” means \$140,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Payment, and the Administrator’s Expenses Payment.
- 1.13. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the Net Settlement Amount calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.14. “Judgment” means the judgment entered by the Court based upon the Court’s approval of the settlement.
- 1.15. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.16. “LWDA PAGA Payment” means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.17. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. 75% of the Net Settlement Amount is to be paid to the LWDA as the LWDA PAGA Payment and the remaining 25% of the Net Settlement Amount is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.18. “Notice of PAGA Settlement” means the letter, substantially similar to the form attached hereto as **Exhibit A**, explaining the Settlement to the Aggrieved Employees, which will accompany each settlement check.
- 1.19. “Operative Complaint” means the Complaint filed in the Action on September 27, 2022.
- 1.20. “PAGA Counsel” means Zachary Crosner, Jamie Serb, and Nikki Trenner of Crosner Legal, the attorneys representing the Plaintiff in the Action.
- 1.21. “PAGA Counsel Fees Payment” means the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees incurred to prosecute the Action.
- 1.22. “PAGA Counsel Litigation Expenses Payment” means the amount allocated to PAGA Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.
- 1.23. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.24. “PAGA Period” means the period from July 24, 2021 to August 27, 2025.

- 1.25. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.26. "PAGA Notice" means Plaintiff's July 22, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.27. "PAGA Representative" means the named Plaintiff in the Operative Complaint in the Action.
- 1.28. "PAGA Representative Payment" means the payment to the PAGA Representative for initiating the Action and providing services in support of the Action
- 1.29. "Plaintiff" means Phillip Iniguez, the named plaintiff in the Action.
- 1.30. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.31. "Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.32. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On September 27, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for violations of the PAGA. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On August 27, 2025 the Parties participated in an all-day mediation presided over by Scott Radovich of Radovich Tangeman Green Mediation & Arbitration, which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery Plaintiff's personnel file, including time and payroll records, the employee handbook in effect during the Class Period, including their policies and procedures regarding the payment of wages, the provision of paid sick leave, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, a sampling of the payroll and time records for the Aggrieved Employees, the number of

putative Aggrieved Employees, mix of current versus former employees, the estimated number of pay periods, and the average shift length, among other information.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$140,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiff: A PAGA Representative Payment to Plaintiff of not more than \$5,000.00 (in addition to any Individual PAGA Payment the Plaintiff is entitled to as an Aggrieved Employee). Defendant will not oppose Plaintiff's request for a PAGA Representative Payment that does not exceed this amount. As part of the Settlement approval motion, Plaintiff and/or PAGA Counsel will request approval for PAGA Representative Payment. If the Court approves a PAGA Representative Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Payment.
 - 3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount which is currently estimated to be \$46,666.66 and PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. As part of the Settlement approval motion, Plaintiff and/or PAGA Counsel will request approval for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies

Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$3,250.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$3,250.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties to be paid from the Net Settlement Amount, with 75% allocated to the LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

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

3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Data. Within 15 days of the execution of this Agreement, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds

the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Representative Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

- 4.3.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.3.2. The distribution of Individual PAGA Payments shall be accompanied by the Notice of PAGA Settlement.
- 4.3.3. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.3.4. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.3.5. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based

on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

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

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

5.2 Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the operative complaint filed in the Lawsuit on September 27, 2022 and the PAGA Notice including, e.g., (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods or compensation in lieu thereof; (d) failure to provide rest periods or compensation in lieu thereof; (e) failure to furnish accurate itemized wage statements; (f) failure to reimburse business expenses; (g) failure to provide paid sick leave; (h) failure to provide supplemental paid sick leave; (i) failure to pay vested vacation and/or paid time off; (j) failure to keep accurate records; (k) failure to provide standard conditions of labor; (l) refusal to make payment; (m) unlawful deductions; (n) failure to pay statutory wages; (o) failure to timely pay all wages due upon separation of employment; (p) failure to produce employment records upon written request; (q) unlawful inquiries into salary history; and (r) unlawful agreements.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of

PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court’s Order Granting Approval of PAGA Settlement to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings

and providing reports state and federal tax authorities.

- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE

- 8.1 Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are approximately 68 Aggrieved Employees who worked approximately 7,095 Pay Periods during the PAGA Period.
- 8.2 The Gross Settlement Amount was agreed upon based on Defendant’s representations of the total number of Pay Periods in the PAGA Period. If the number of Pay Periods during the PAGA Period exceeds 7,804, then the Gross Settlement Amount shall be increased on a pro rata basis per Pay Period exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%).

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

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

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

Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. ADDITIONAL PROVISIONS.

- 10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department

Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Nikki Trenner
nikki@crosnerlegal.com
CROSNER LEGAL, PC
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Defendant:

Mohammad N. Khan
mohammad@mnklawyers.com
Nishita Patel
nishita@mnklawyers.com
MNK LAW, APC
9160 Irvine Center Drive, Suite 200
Irvine, CA 92618

- 10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 04 / 03 / 2026



Plaintiff PHILLIP INIGUEZ

Dated: 04/07/2026

P.E. Pendleton

Print Name: Pete Pendleton

Title: Chief Executive Officer

For Defendant REVCHEM COMPOSITES, INC.

Dated: April 3, 2026

CROSNER LEGAL, PC

Nikki Trenner

Zachary Crosner, Esq.

Nikki Trenner, Esq.

Jamie Serb, Esq.

Attorneys for Plaintiff

Dated: 04/03/2026

MNK LAW, APC

Mohammad N. Khan

Mohammad N. Khan

Nishita Patel

Attorneys for Defendant

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

You are receiving this Notice because you are entitled to money as a result of a court approved settlement in *Phillip Iniguez v. Revchem Composites, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2218779 (the “**Lawsuit**”).

What is this case about?

In the Lawsuit, Plaintiff Phillip Iniguez (“Plaintiff”) asserted representative claims against Defendant Revchem Composites, Inc. (“Defendant”) on behalf all current and former non-exempt employees who performed work for Defendant in California at any time from July 24, 2021 to August 27, 2025 (the “PAGA Period”). Plaintiff alleges claims for penalties and unpaid wages pursuant to the Private Attorneys General Act of 2004 (“PAGA”) Labor Code section 2698 *et seq.* based on the alleged (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods or compensation in lieu thereof; (d) failure to provide rest periods or compensation in lieu thereof; (e) failure to furnish accurate itemized wage statements; (f) failure to reimburse business expenses; (g) failure to provide paid sick leave; (h) failure to provide supplemental paid sick leave; (i) failure to pay vested vacation and/or paid time off; (j) failure to keep accurate records; (k) failure to provide standard conditions of labor; (l) refusal to make payment; (m) unlawful deductions; (n) failure to pay statutory wages; (o) failure to timely pay all wages due upon separation of employment; (p) failure to produce employment records upon written request; (q) unlawful inquiries into salary history; and (r) unlawful agreements. Defendant contends that it compensates employees in full compliance with the law. Defendant denies each of the claims and contentions alleged by Plaintiff in the Lawsuit.

What are the terms of the Settlement?

Plaintiff and Defendant reached a settlement which was reviewed and approved by the Court. Defendant’s records show that you were employed by Defendant in a covered position during the Settlement Period. Eligible Aggrieved Employees are each distributed a pro rata share of the portion of the settlement allocated for alleged employee penalties. Accordingly, you are entitled to an Individual Settlement Payment based on your percentage share of pay periods during the Period.

What should I do now?

You are automatically included in this Settlement.

You may immediately deposit your enclosed settlement check and need not take any further action at this time.

Exhibit 2

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

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Exhibit 3



Los Angeles Office
9440 Santa Monica Blvd.
Beverly Hills, CA 90210

Kiara Bramasco, Esq.
kiara@crosnerlegal.com
direct: (323) 205-7495
office: (310) 496-5818
fax: (310) 510-6429

July 22, 2022

VIA ONLINE FILING ONLY:

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

VIA U.S. CERTIFIED MAIL:

Pete Pendleton,
Agent for Service of Process for:
Revchem Composites, Inc.
2720 S. Willow Ave. Unit B
Bloomington, CA 92316

Revchem Composites, Inc.
Attn: Human Resources Dept. / Legal Dept.
2720 S. Willow Ave. Unit B
Bloomington, CA 92316

Pete Pendleton,
Agent for Service of Process for:
Hawkeye Industries Inc.
2720 S. Willow Ave, #B
Bloomington, CA 92316

Hawkeye Industries Inc.
Attn: Human Resources Dept. / Legal Dept.
2720 S. Willow Ave, #B
Bloomington, CA 92316

Britton Dennis,
Agent for Service of Process for:
Dura Technologies, Inc.
2720 S. Willow Avenue #A
Bloomington, CA 92316

Dura Technologies, Inc.
Attn: Human Resources Dept. / Legal Dept.
2720 S. Willow Avenue #A
Bloomington, CA 92316

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency; Revchem Composites, Inc.; Hawkeye Industries Inc. and Dura Technologies, Inc.
Date: July 22, 2022
Subject: *Phillip Iniguez v. Revchem Composites, Inc., et al.*

Introduction

This office represents COMPLAINANT, Phillip Iniguez (hereinafter “COMPLAINANT”) in connection with COMPLAINANT’s claims under the California Labor Code. COMPLAINANT was, at all relevant times herein mentioned, an employee of the following entity and individual managing agents of said entities: Revchem Composites, Inc. Hawkeye Industries Inc. and Dura Technologies, Inc. (hereinafter, these entities and their managing agents are referred to collectively as “EMPLOYER”). EMPLOYER may be contacted directly at the addresses listed above.

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

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

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

Based on the following summary of the facts and theories upon which COMPLAINANT will base COMPLAINANT's claims, COMPLAINANT requests that the LWDA regard this NOTICE as written notice of COMPLAINANT's intent to seek civil penalties against EMPLOYER. The specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 210, 216, 221-223, 226, 226.7, 227.3, 245-248.5, 432, 432.3, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.3, 1198.5, 1199, 2802, 2810.5 and all applicable Wage Orders.

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

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

Moreover, under California law, the definition of the terms “to employ” are broadly construed under the applicable IWC Wage Order(s) to have three alternative definitions, including: (1) to exercise control over the wages, hours or working conditions; (2) to suffer of permit to work; or

(3) to engage, thereby creating a common law employment relationship. See *Martinez v. Combs*, 49 Cal.4th 35, 64 (2010). One reason that the IWC defined “employer” in terms of exercising control was to reach situations in which multiple entities control different aspects of the employment relationship. Supervision of the work, in the specific sense of exercising control over how services are properly performed, is properly viewed as one of the “working conditions” mentioned in the wage order. *Id.* at 76. A joint employer relationship exists when one entity (such as a temporary employment agency) hires and pays a worker, and the other entity supervises the work. *Id.*

COMPLAINANT is informed and believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES at all relevant times herein, so as to be considered the joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Individual Liability Under Labor Code Section 558.1

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

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

In the alternative, COMPLAINANT also offers to EMPLOYER to place those individuals on notice if EMPLOYER voluntarily provides their contact information.

General Information

EMPLOYER owns, operates, and / or otherwise manages a business that produces and distributes composite materials, including but not limited to, resins, adhesives, chemicals, among others. While EMPLOYER may operate a successful business/have a noble mission, EMPLOYER does not comply with California labor law.

COMPLAINANT worked for EMPLOYER as a non-exempt employee from in or about 2017 until EMPLOYER terminated COMPLAINANT's employment, on or about August 28, 2021. COMPLAINANT worked for EMPLOYER as a non-exempt driver, packer, forklift operator and/or other similar title(s) at EMPLOYER's warehouse facility located at 768 Arroyo St, San Fernando, CA 91340.

COMPLAINANT regularly worked shifts lasting at least eight (8) hours per day, at least five (5) days per week. EMPLOYER compensated COMPLAINANT with an hourly rate for time counted by EMPLOYER as hours worked. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were also compensated with non-discretionary remuneration, such as but not limited to, non-discretionary bonuses/incentive pay and/or other non-discretionary remuneration.

Among other things, EMPLOYER (1) failed and continues to fail to timely produce complete payroll and personnel records when requested by NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES; (2) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES; (3) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked; (4) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES at least minimum wage for all hours worked and overtime/regular rates for corresponding work; (5) failed and continues to fail to pay proper overtime wages due to including but not limited to, failure to incorporate all non-discretionary compensation into the overtime premium pay calculations; (6) failed and continues to fail to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with proper meal and/or rest breaks, and/or compensate COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of premium pay at the regular rate of compensation for missed/improper meal and/or rest periods; (7) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (8) failed and continues to fail to place COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (9) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES; (10) made unlawful deductions from COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES'

and EXEMPT AGGRIEVED EMPLOYEES' paychecks; (11) failed and continues to fail to timely pay wages to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES during employment and/or upon separation of employment; (12) failed and continues to fail to reimburse COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (13) conducted and continues to conduct illegal criminal and/or financial background checks as a condition of COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' hire and continued employment; (14) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose arrests not resulting in convictions and/or to disclose convictions prior to extending an offer of employment and/or otherwise impermissibly inquired and continues to inquire into COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES', and/or EXEMPT AGGRIEVED EMPLOYEES' criminal history on their employment applications and sign off on same as a condition of employment; and (15) required and continues to require COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a term or condition that violates the law as a condition of employment. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

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

Time and Pay Records

Labor Code section 226 and Wage Order 9-2001 (and all applicable IWC Wage Orders), section 7 require that employers keep the following information on file for each employee for a minimum of three years: The employee's dates of employment; the employee's hourly rates and the corresponding number of hours worked by the employee at each hourly rate, when the employee begins and ends each work period (including meal periods) and split intervals; total hours worked by the employee; all deductions; gross wages earned; and net wages earned.

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

Personnel Records

In addition to their right to time and pay records, employees, and their representatives, have the right to inspect and receive a copy of their personnel files pursuant to Labor Code section 1198.5.

This statute applies to both former and current employees. Labor Code section 432 further specifies that employers must furnish copies of all employment records bearing the employee's signature.

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

Based on information and belief, EMPLOYER fails to produce or make available a current or former employee's personnel records and/or payroll records when requested pursuant to Labor Code sections 226, 1198.5, 432, and/or the applicable Wage Order. For example, on or about December 27, 2021, COMPLAINANT, through his counsel, mailed a request for payroll and personnel records to EMPLOYER. Yet, EMPLOYER failed to produce complete records and/or failed to produce records within the time periods delineated by California labor law. Based on information and belief, EMPLOYER failed and continues to fail to timely produce complete payroll and personnel records when requested by other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES.

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

Recordkeeping Requirement Violations: California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. The applicable IWC Wage Order, including but not limited to Wage Order 9-2001, section 7 similarly requires employers to keep time records reflecting the times during which all owed meal periods were provided each day.

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

EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES by virtue of EMPLOYER's time rounding, payment according to scheduled hours rather than actual hours worked, automatic meal break deductions, and practices, and/or other off-the-clock work policies and practices described below.

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

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

EMPLOYER further failed and continues to fail, to record the true start and end times of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods.

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

EMPLOYER's failure to keep "accurate and complete" payroll records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and Wage Order 9-2001 (and all applicable IWC Wage Orders), section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each aggrieved employee, results in a separate civil penalty.¹

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

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. IWC Wage Order 9-2001 (and all applicable IWC Wage Orders), section 7(A)(3) ("Meal periods . . . shall also be recorded"); *Brinker, supra*, 53 Cal.4th

¹ See Lab. Code section 2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

1004, 1052-1053, citing section 7(A)(3) (“If an employer’s records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided”).

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

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

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods and/or work through part or all their meal periods due to the nature and constraints of their job duties, need to keep up with delivery schedules/complete jobs on time, lack of relief workers available, requirement to stay on the premises/close to their vehicles, and/or commentary from supervisors pressuring them to take non-compliant meal breaks and/or skip meal breaks completely. For example, COMPLAINANT estimates he was forced to take a late and/or short/interrupted meal period at least several times per week due to the need to keep up with his delivery schedule/complete jobs on time, understaffing, and/or pressure from management to work through his breaks. On information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES were also unable to take timely thirty-minute meal periods due to the nature of their job, their workload, pressure from management to take noncompliant breaks and/or lack of relief workers.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were required to monitor work communication devices and/or were required to remain tethered to the worksite/in close proximity to their vehicles during purportedly off-duty meal periods.

Despite failing to provide lawful meal periods, EMPLOYER implemented a policy and/or practice of automatically deducting at least thirty minutes per shift for these missed/unlawful meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES did not receive compliant meal periods.

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

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

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

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

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

Moreover, NON-EXEMPT AGGRIEVED EMPLOYEES who worked shifts of more than ten hours did not receive a second legally compliant thirty (30) minute second meal break. EMPLOYER failed to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with a second meal period despite COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES consistently working over ten hours in a workday and thus being entitled to a second duty-free, uninterrupted, thirty-minute meal period before the end of the tenth hour of work. Based on information and belief, EMPLOYER maintained an unlawful policy and practice of only providing a single meal period per shift, even during shifts lasting longer than ten and/or twelve hours, and that single meal period was often non-compliant. For example, at times, COMPLAINANT worked shifts lasting longer than ten and/or twelve hours but was not provided with any second meal period, and his first meal period was late/interrupted and/or otherwise non-compliant.

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

pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

Based on information and belief, EMPLOYER was informed of NON-EXEMPT AGGRIEVED EMPLOYEES' inability to take compliant meal periods due to their need to keep up with their delivery schedules, make additional stops and/or complete other job duties, and lack of relief workers available. Yet, EMPLOYER failed to take any action to remedy the situation in order to allow COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES to take compliant, non-interrupted meal periods. EMPLOYER failed to timely relieve COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for meal periods and failed to maintain accurate record of non-compliant meal periods taken by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, EMPLOYER regularly recorded NON-EXEMPT AGGRIEVED EMPLOYEES' meal breaks as if they were timely taken, even though a meal period was not actually afforded at this time and/or were otherwise not in accordance with California law.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and IWC Wage Order No. 9-2001, section 11(A), (B) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated.² EMPLOYER's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violation of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, including but not limited to No. 5-2001, section 12(A). In *Brinker v. Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012), the California Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6 hours in a length, two 10-minute rest periods for shift more than 6 hours up to 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at 1029). The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269.

² See Lab. Code section 2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code section 558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); IWC Wage Order 9-2001, section 20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

Moreover, under California law rest periods must be a “net” ten minutes in a suitable rest area. *Id.* at 268 (relying on DLSE Letters wherein the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a rest area and cannot include time it takes to get to and from the rest area). The employer must show that it clearly articulates the right to a net ten minutes, which means it must clearly communicate what “net” ten minutes means (i.e., regardless of what happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; see also, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the “onus is on the employer to clearly communicate the authorization and permission [to take rest periods] to its employees.”).

Employers must pay employees an additional hour of wages at the employee’s regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s)). Lab. Code section 226.7; IWC Wage Order No. 5-2001, section 12(B) (“If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided”).

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

Rest periods were consistently interrupted, cut short, on duty, restricted to the worksite premises, and/or late due to the nature and constraints of COMPLAINANT’s and other NON-EXEMPT AGGRIEVED EMPLOYEES’ job duties, need to complete jobs/complete other work tasks, lack of relief workers, and/or commentary from supervisors pressuring them to skip rest breaks completely and/or take non-compliant rest breaks.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were pressured to complete their work duties according to a designated schedule such that rest breaks were only taken once jobs were completed/as time permitted. For example, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were consistently pressured to cut their rest breaks short and/or otherwise required to work through them completely due to understaffing/lack of relief workers, pressure to meet work deadlines and/or the need to complete work tasks. At times, COMPLAINANT worked shifts lasting over ten hours but was not provided with a single compliant rest period despite being entitled to three (3) rest periods during those shifts he worked more than ten hours.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER’s control during rest breaks. For example, on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were required to remain on the worksite premises/in close proximity to their assigned vehicles and/or remained tethered to EMPLOYER’s communication devices during

purported rest periods and were thus subjected to EMPLOYER' control. As such, EMPLOYER failed to provide NON-EXEMPT AGGRIEVED EMPLOYEES with net, ten-minute, uninterrupted, off-duty rest periods in compliance with California law.

Based on information and belief, EMPLOYER did not have a lawful policy, instruction, or practice as to the taking, length, timing, or duty-free nature of rest periods. For example, on information and belief, EMPLOYER failed to authorize and permit rest periods that were a "net" ten minutes in a suitable rest area; instead, to the extent rest periods were provided, EMPLOYER limited COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES to only ten-minute rest periods, requiring them to be back at their workstations/assigned vehicles within ten minutes of leaving, in violation of California rest period law.

Despite not providing lawful rest periods, EMPLOYER failed to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES with an additional hour of pay at COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' regular rates of compensation for each missed, or otherwise unlawful rest period. Based on information and belief, EMPLOYER failed to pay a rest period premium at all for each workday a lawful rest period was not provided. If and when a rest premium was paid, EMPLOYER failed to pay the proper premium for failure to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonus/incentive pay and/or other non-discretionary compensation into the regular rate for purposes of calculating the owed rest period premium at the correct regular rate of compensation.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and IWC Wage Order 9-2001, section 12(A). These violations subject EMPLOYER to civil penalties under Labor Code section §§ 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee for each pay period during which the referenced statutes and Wage Order provisions were violated.³

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

Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is

³ See Lab. Code section 2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); IWC Wage Order 9-2001, section 20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

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

EMPLOYER failed to compensate COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER's automatic deduction and time rounding policies, payment according to scheduled hours worked instead of actual time worked, mandated pre-shift/post-shift/ and/or other off-the clock work policies and/or practices and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods.

On information and belief, the work time reported by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES was rounded and automatically deducted for at least 30 minutes of wages per shift for meal breaks not taken, interrupted, or not relieved of all duties and EMPLOYER's control. Based on information and belief, EMPLOYER had a policy and practice of requiring NON-EXEMPT AGGRIEVED EMPLOYEES to clock out for at least thirty minutes per shift for purported meal periods, despite EMPLOYER's actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were working through part or all these meal periods.

Based on information and belief, EMPLOYER implemented a policy and/or practice of automatically deducting at least thirty minutes per shift for meal periods and/or requiring NON-EXEMPT AGGRIEVED EMPLOYEES to clock out for at least thirty minutes per shift for meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were working through part or all these meal periods.

Based on further information and belief, EMPLOYER rounded the start and end times of employee meal periods and shift start and end times resulting in COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES not being paid for all time worked.

Moreover, COMPLAINANT alleges on information and belief that EMPLOYER implemented a time-rounding system that as applied systematically deprived COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of compensable time because the time-rounding system implemented by EMPLOYER would almost always, if not always, result in understating actual compensable work time. On information and belief, the work time reported by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES was rounded/shaved to at least the nearest quarter hour, resulting in EMPLOYER failing to compensate COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked and the underpayment of wages

owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES. For example, for various pay periods throughout the relevant period, COMPLAINANT's wage statements show that EMPLOYER rounded his total hours worked to at least the nearest quarter hour, resulting in the underpayment of minimum and overtime wages owed to COMPLAINANT. Based on information and belief, EMPLOYER also rounded other NON-EXEMPT AGGRIEVED EMPLOYEES' hours worked resulting in the underpayment of wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER's failure to pay for all time worked by virtue of its time-rounding practices and/or paying for scheduled hours rather than actual time work resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or forty hours in a week.

Additionally, NON-EXEMPT AGGRIEVED EMPLOYEES were required to perform other off-the-clock work. For example, on days COMPLAINANT opened his warehouse location, COMPLAINANT was required to unlock doors and disable the alarm prior to clocking into work. This resulted in at least several minutes of unpaid pre-shift work time each time COMPLAINANT opened the warehouse. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES in charge of closing the location were required to first clock out, then enable the alarm and lock all doors. This resulted in additional off-the-clock post-shift work that was not compensated.

Based on information and belief, EMPLOYER did not compensate NON-EXEMPT AGGRIEVED EMPLOYEES for time spent donning and doffing personal protective equipment, uniforms and/or safety equipment (e.g., protective hard hats, reflective gear, and/or face masks EMPLOYER required) during meal periods, rest periods, before the start of a scheduled shift, and after completing a scheduled shift.

Based on information and belief, EMPLOYER had a uniform policy and practice of prohibiting NON-EXEMPT AGGRIEVED EMPLOYEES from clocking in prior to their scheduled shift start times while requiring that they consistently perform pre-shift off-the-clock work that was neither recorded nor compensated.

Based on further information and belief, EMPLOYER's electronic employee time-keeping system/app regularly malfunctioned such that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were frequently required to either reinitiate the system prior to being able to clock in and/or were unable to clock in at all for the start of their shifts and/or clock back in from meal periods, resulting in consistent off-the-clock work and the underpayment of minimum and overtime wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES experienced the same issues when clocking out for shifts and/or back in for meal periods. This time spent under EMPLOYER' control was not recorded and not compensated and resulted in unpaid minimum wages.

Based on information and belief, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were required to complete other off-the-clock work tasks after clocking out for the end of their shifts and/or during uncompensated meal periods, resulting in significant off-the-clock work and the underpayment of minimum and overtime wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER failed to compensate NON-EXEMPT AGGRIEVED EMPLOYEES for time they were required to spend completing training and certification and/or the onboarding process. For example, based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES to review and sign various types of policies and documents, including but not limited to, safety guidelines/safety awareness certifications, employee time-keeping policies, among other documents, but they were not paid for all time spent reviewing and/or completing certification as directed by EMPLOYER. For example, EMPLOYER often directed COMPLAINANT to take home and review various safety guidelines for products/chemicals manufactured and/or distributed by EMPLOYER, however, EMPLOYER did not compensate COMPLAINANT for this time spent reviewing the various safety guidelines and/or other documents he was directed to review by EMPLOYER. Based on information and belief, EMPLOYER had a uniform policy and practice of requiring NON-EXEMPT AGGRIEVED EMPLOYEES to complete mandatory off-the-clock administrative tasks, onboarding, training, certification, and/or other tasks without compensating for all hours worked.

Based on information and belief, EMPLOYER had a policy and practice of compensating COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for scheduled hours worked rather than actual hours worked, resulting in consistent off-the-clock work and the underpayment of minimum and overtime wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

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

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and the applicable Wage Order, including but not limited to Wage Order 9-2001, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

⁴ See Lab. Code section 1197.1(a) (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); IWC Wage Order 9-2001, section 20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code section 510; IWC Wage Order 9-2001, (and all applicable IWC Wage Orders) section 3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day or work in a work week. *Ibid.*

EMPLOYER violated California's overtime laws by, among other things, failing to correctly calculate, or record at all, the total number of hours worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and not paying proper overtime rates for all overtime worked.

Namely, EMPLOYER's automatic deduction and time rounding policies and practices for meal periods, start shift times and end times, payment according to scheduled hours rather than actual hours worked and/or other mandated off-the-clock work policies and practices explained above resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty hours in a week.

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

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

Based on further information and belief, EMPLOYER failed to properly blend multiple rates of regular pay in calculating the owed overtime rate(s), resulting in the miscalculation and underpayment of overtime wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and IWC Wage Order 9-2001 (and all applicable IWC Wage Orders), section 12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and the applicable Wage Order, including but not limited to Wage Order 9-2001, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

Violation of California Labor Code Sections 245-248.5: Based on information and belief, EMPLOYER failed to provide proper paid sick leave to COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and shift start and end times and other required off-the-clock work described herein) and by failing to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary bonuses/incentive pay and/or shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

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

EMPLOYER further failed to put them on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice.

In addition, based on information and belief, EMPLOYER failed to maintain accurate records of used sick leave and the balance of paid sick leave left to NON-EXEMPT AGGRIEVED EMPLOYEES throughout the relevant time period.

Throughout the relevant time period, based on information and belief, EMPLOYER failed to provide notice of sick leave amount balance left for COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES, and thus affected their intelligent exercise of their paid sick leave.

But for this failure, COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES would have used their paid sick leave at least prior to their respective separation, for as on several

⁵ See Lab. Code section 2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); Lab. Code section 558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); IWC Wage Order, section 20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

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

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

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

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

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

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

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

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

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

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

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each aggrieved employee, for each pay period during which the statute provisions were violated.⁶

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. section 226.

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

EMPLOYER's wage statements that it provided to COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES failed to among other things, indicate earned gross and net wages earned during the pay period, the correct applicable rates of pay for all hours worked, and the "total hours worked" by the COMPLAINANT and all NON-EXEMPT AGGRIEVED

⁶ Labor Code section 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

EMPLOYEES (by virtue of the automatic deduction for meal periods, time-rounding policies and practices and other off-the-clock work policies and practices, including but not limited to, whenever working a shift in which the employee earned a shift differential, all described in greater detail *supra*) which results in a violation of Labor Code section 226(a). Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

Additionally, EMPLOYER failed to list all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of Labor Code section 226(a)(9). Based on information and belief, EMPLOYER failed to list any overtime rate(s) at all and/or EMPLOYER failed to incorporate all forms of non-discretionary compensation earned during the pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of Labor Code section 226(a)(9).

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

In addition, because of the violations detailed above, including but not limited to, not paying regular and overtime wages for all hours worked, not paying all sick leave wages at the proper rates, and failing to provide meal and rest break premiums, EMPLOYER has violated California Labor Code § 226 by willfully failing to furnish COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES with accurate, itemized wage statements. As described herein, EMPLOYER also failed to incorporate all forms of non-discretionary compensation earned during the pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

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

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

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a separate civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE

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

Semimonthly Payment Violations: Labor Code section 204 requires that all earned wages must be paid to employees twice during each calendar month. EMPLOYER violated this section by failing to pay NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked and by failing to pay proper premium wage rates for all hours worked. These violations subject EMPLOYER to civil penalties under Labor Code section 210. Each violation results in a separate civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.

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

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

Unlawful Deductions: Labor Code section 221 prohibits an employer from "collect[ing] or receiv[ing] from an employee any part of wages theretofore paid by said employer to said employee." Based on information and belief EMPLOYER made unlawful deductions from NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES paychecks during the relevant period, including but not limited to, deducting costs advanced by EMPLOYER from NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES' final paychecks and/or deductions for purported overpayments from prior pay periods and/or deductions for negligently broken/damaged company property. Such a practice is in violation of including but not limited to, Labor Code Sections 221-222 which subjects EMPLOYER to civil penalties under Labor Code Section 2699.

Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE and EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated. See Lab. Code §225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of Section 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee").

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

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

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

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

Failure to Pay Vested Vacation/Paid Time Off:

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination.

Based on information and belief, EMPLOYER had and continues to have a uniform policy and practice of failing to allow NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

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

Based on information and belief, EMPLOYER failed to timely pay NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES all wages that were due and owing upon termination or resignation. Based on information and belief, EMPLOYER provides final wages to NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED

EMPLOYEES on the regular pay day without regard to the timing requirements of Labor Code sections 201-202.

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

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.⁷

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

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

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. *See Cochran v. Schwan’s Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145. California law also requires employers to reimburse employees for automobile expenses incurred for the business use of personal vehicles, such as for mileage, gas, and the wear and tear on the vehicle. *See Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554. Further, “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State.” *See* Cal. Lab. Code § 2804.

⁷ (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee”).

COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of EMPLOYER.

At all relevant times hereto, EMPLOYER shifted its costs of doing business onto COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by requiring them to pay for its business expenses, including but not limited to, use of COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' personal mobile phone/mobile device and costs associated with the purchase and/or maintenance of work uniforms/clothing and personal protective equipment and/or safety gear. For example, at times, COMPLAINANT received work-related calls and messages to his personal phone from managers and/or supervisors, including but not limited to, regarding scheduling/other work tasks, and purchased his own protective face masks and/or steel-toed boots/work shoes EMPLOYER. At times, EMPLOYER provided COMPLAINANT with a company phone, but the company phone consistently malfunctioned such that COMPLAINANT was required to use his personal cell phone/mobile device to perform his job duties, including but not limited to, to communicate with management/dispatch and/or for navigation purposes. COMPLAINANT was not reimbursed for these business expenses.

Based on further information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES incurred additional expenses as a direct consequence of the performance of their job duties for which they were not properly reimbursed by EMPLOYER, including but not limited to, cost of gas.

Based on information and belief, EMPLOYER did not reimburse NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES for the cost of undergoing EMPLOYER-mandated testing (e.g., Covid testing), including but not limited to purchasing the test, and/or the cost of traveling and/or using a personal vehicle to and from a testing site.

Based on information and belief, at times, EMPLOYER purported to compensate NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES for some vehicle-related expenses, but any amount(s) offered fell far below the Internal Revenue Service (IRS) mandated per mile compensation for the relevant time period and/or otherwise failed to reimburse NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for all reasonable vehicle-related expenses they incurred in performing their jobs as required under Labor Code section 2802. EMPLOYER's failure to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

As a pattern and practice, EMPLOYER regularly failed to reimburse and indemnify COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT

AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out orders by their EMPLOYER and/or carrying out the duties assigned by EMPLOYER.

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

Unlawful Inquiries into Salary History

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

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

Unlawful Agreements/ Unlawful Criminal and Financial Background Checks:

Unlawful Financial and Criminal Background Checks:

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, et seq.) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, et seq.) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the

background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

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

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

Based on information and belief, EMPLOYER required COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and/or 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure, failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, and/or failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

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

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

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

By having COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES sign off on the illegal background and financial checks,

EMPLOYER also violated Labor Code section 432.5 (stating that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.”).

Unlawful Inquires into Criminal History

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

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

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

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

Conclusion

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

Labor Code section 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

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

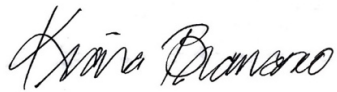
If the LWDA elects not to take any action with respect to any of the foregoing claims, COMPLAINANT will seek these penalties in a civil action, on behalf of COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES of EMPLOYER within one year of the date of this letter as allowed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

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

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

Thank you for your attention to this matter.

Best Regards,

A handwritten signature in cursive script that reads "Kiara Bramasco".

Kiara Bramasco, Esq.
CROSNER LEGAL, PC



Ashley Gutierrez <agutierrez@crosnerlegal.com>

Thank you for submission of your PAGA Case.

1 message

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "zach@crosnerlegal.com" <zach@crosnerlegal.com>

Fri, Jul 22, 2022 at 8:24 PM

7/22/2022

LWDA Case No. LWDA-CM-897184-22
Law Firm : Crosner Legal PC
Plaintiff Name : Phillip Iniguez
Employer: Revchem Composites, Inc., et al.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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

Exhibit 4

Exhibit 5



Alberto Villavicencio <alberto@crosnerlegal.com>

Thank you for your Court Complaint Submission.

1 message

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>

Mon, Oct 17, 2022 at 2:42 PM

To: alberto@crosnerlegal.com

10/17/2022 02:42:35 PM

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

Item submitted: Court Complaint

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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

Exhibit 6

Phillip Iniguez v. Revchem Composites, Inc., et al.
(San Bernardino County Superior Court Case No. CIVSB2218779)

Crosner Legal Time Report

Tasks	Zachary Crosner	Jamie Serb	Nikki Trenner	Kiara Bramasco	Branden Hamilton
Pre-filing Case Investigation	1.7	0.0	0.0	3.2	6.9
Pleadings and Law and Motion	3.3	0.0	15.3	5.1	5.7
Discovery and Post-Filing Investigation	3.8	0.0	13.8	0.0	0.0
Court Appearances	0.0	0.0	3.4	0.0	0.0
Case Management; Litigation Strategy & Analysis	5.5	25.9	9.1	0.0	0.0
Mediation and Settlement	5.3	2.7	32.2	0.0	0.0
Total Hours	19.6	28.6	73.8	8.3	12.6
Hourly Rate	\$850	\$850	\$800	\$650	\$650
Lodestar	\$16,600	\$24,310	\$59,040	\$5,395	\$8,190

Total Hours: 142.9

Total Lodestar: \$113,535