David P. Myers (SBN 206137)
dmyers@myerslawgroup.com
Jason Hatcher (SBN 285481)
jhatcher@myerslawgroup.com
Cassandra A. Castro (SBN 334238)
ccastro@myerslawgroup.com
Andriana N. Bravo (SBN 349191)
abravo@myerslawgroup.com
THE MYERS LAW GROUP, A.P.C.
9327 Fairway View Place, Ste. 100
Rancho Cucamonga, CA 91730
Telephone: (909) 919-2027
Facsimile: (888) 375-2102

Attorneys for Plaintiffs Luis Sedano and Jonathan Avalos, and all others similarly situated

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

LUIS SEDANO; and JONATHAN AVALOS, on behalf of themselves and others similarly situated PLAINTIFFS, v. NEW-INDY ONTARIO LLC, a Delaware Limited Liability Company; NEW-INDY OXNARD LLC, a Delaware Limited Liability Company; NEW-INDY CONTAINERBOARD LLC, a Delaware Limited Liability; NEW-INDY CONTAINERBOARD HOLD CO LLC, a Delaware Limited Liability Company; and DOES 1 through 100, inclusive DEFENDANTS.	Case No. CIVSB2216238 CLASS ACTION *Assigned to: Hon. Kevin C. Lee* **DECLARATION OF CASSANDRA A. CASTRO IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA ACTION SETTLEMENT** Date: October 26, 2026 Time: 8:30 a.m. Dept.: S26 Complaint Filed: July 22, 2022 FAC Filed: December 21, 2022 SAC Filed: July 29, 2024 Trial Date: None Set

DECLARATION OF CASSANDRA A. CASTRO

I, Cassandra A. Castro, declare as follows:

1. I am an attorney at The Myers Law Group, A.P.C. counsel for the named Plaintiffs Luis Sedano and Jonathan Avalos ("Plaintiffs'), on behalf of themselves and other similarly situated individuals, in the above-entitled action. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the matters set forth herein, and if called upon as a witness to testify thereto, I could and would competently do so.

2. I graduated from Boston University School of Law in 2020 and am an active member in good standing with the State Bar of California. I was admitted to the State Bar of California on or about January 19, 2021. I am admitted to practice before the United States District Court – Northern, Central, Southern, and Eastern Districts of California; United States Ninth Circuit Court of Appeals; and all of California State Courts. During law school, I externed as a summer Law Clerk at MLG and later worked at MLG as part of the State Bar of California's Practical Training of Law Students (also known as Certified Law Student) program under the supervision of Jason Hatcher. In December 2020, I was admitted to practice under Cal. Rule of Court, Rule 9.49, as a Provisionally Licensed Lawyer under the supervision of David P. Myers. After being licensed on January 19, 2021, I worked as an associate attorney at MLG until December 16, 2022. At MLG, I focused solely on plaintiff-side employment matters, including wage and hour class actions and PAGA actions. I supported and helped litigate the certified class and/or collective actions of:

a. *Alvarez, et al. v. City of Oxnard. See Alvarez v. City of Oxnard* (C.D. Cal. Dec. 17, 2020, No. CV 19-8044 PSG (JCx)) 2020 U.S.Dist.LEXIS 250524 (granting preliminary collective FLSA certification); *Alvarez v. City of Oxnard* (C.D. Cal. Dec. 17, 2020, No. CV 19-8044 PSG (JCx)) 2020 U.S.Dist.LEXIS 250522 (granting class certification);

b. *Feltzs v. Cox Communications Cal., LLC, et al.* The U.S. District Court Central District of California partially certified a class action on June 1, 2021. *Feltzs v. Cox*

Communs. Cal., LLC (C.D. Cal. June 1, 2021, No. SACV 19-2002 JVS (JDEx)) 2021 U.S.Dist.LEXIS 146447. On or about August 1, 2022, the Honorable James V. Selna granted final approval of the class action settlement for the total amount of $1,850,000.00. See Central District Case No. 18-cv-02136 at Dkt. 126.

c. *Dunn v. Seasons Hospice & Palliative Care of California, Inc., et al.*, San Bernardino Superior Court Case No: CIVDS1824275. On or about July 21, 2022, the Honorable David S. Cohn granted final approval of the class action settlement for the total amount of $800,000.00 and confirmed The Myers Law Group, A.P.C. – David P. Myers, Jason Hatcher, and Cassandra A. Castro as class counsel.

d. *Lisa Miller v. Investment Concepts, Inc*. ("*ICI*"), Santa Barbara Superior Court Case No. 19CV04672, as an attorney at The Myers Law Group, APC. On or about October 26, 2022, the Honorable James F. Rigali granted final approval of the class action settlement in the ICI matter for the amount of $546,677.68 and confirmed David P. Myers, Jason Hatcher, Mordan J. Good, and Cassandra A. Castro of The Myers Law Group, A.P.C. as Class Counsel.

From August 2023 to August 2025, I was a Senior Associate Attorney at Lavi & Ebrahimian, LLP, where my practice focused solely on wage and hour class actions, PAGA actions, and individual wage and hour matters. While at Lavi & Ebrahimian, I was confirmed as Class Counsel in several class and/or PAGA actions, including but not limited to the following actions: *Nunez v. E & T Foods, Inc*., Los Angeles Superior Court Case No. 21STCV22410 (Settlement Class Approved); *Raygoza v. Raven Industries, Inc., et al*., San Bernardino Superior Court Case No. CIVSB2211390 (Settlement Class Approved); *Stuart v. AIO Acquisition, Inc., et al*., San Bernardino Superior Court Case No. CIVSB2209113 (PAGA Settlement Approved in 2025 with a $675.00 hourly rate for lodestar); *Minas et al. v. Panda Express, Inc. et al*., Los Angeles Superior Court Case No. 22STCV07753 (PAGA Settlement Approved in 2024 with a $675.00 hourly rate for lodestar). I rejoined The Myers Law Group, A.P.C. in September 2025.

3. Plaintiffs seek certification of this matter as a class action for settlement purposes and preliminary approval of a **non-reversionary** settlement in the gross amount of Six Hundred

Eighty Thousand Dollars and Zero Cents ($680,000.00), on behalf of the Settlement Class Members. As of the date of acceptance of the mediator's proposal, approximately May 1, 2026, there were approximately 310 putative class members.

4. The entire proposed settlement and details of the settlement are set forth in the Class Action and PAGA Settlement Agreement and Settlement Notice **(attached as Exhibit 1)**. The settlement in principle was reached after a day of private mediation, that occurred after the parties had possessed sufficient information and documentation to make an informed decision and conducted a comprehensive review and analysis of the facts, potential damages, and legal issues raised by the action. The initial private mediation took place on October 12, 2023, with mediator Lisa Klerman, Esq., and though the matter did not settle at mediation, Ms. Klerman remained involved in post-mediation settlement negotiations up to and through the acceptance of a mediator's proposal. The settlement negotiations at all times were at arm's length and non-collusive. In light of my experience in employment law and class action litigation, it is my opinion that the settlement for each of the participating class members is fair, reasonable, and adequate, given the inherent risk of litigation, the risk relative to class certification and the costs of litigation.

5. Plaintiffs and counsel conducted a comprehensive pre-mediation and post-mediation, pre-certification investigation into the facts and legal issues raised herein. Plaintiffs' investigation included requesting and obtaining documents through mediation-based informal discovery and information for the Settlement Class and PAGA Employees, that included data detailing the number of class members (formerly and currently employed), total number of aggrieved employees, total number of workweeks and pay periods, as well as payroll data (including a sampling) and documents, and engaging in formal post-mediation, class certification-based discovery regarding the personnel files, payroll records, and timekeeping records for Plaintiffs, Defendants' collective bargaining agreement(s), taking the deposition of Defendants' person most knowledgeable, and obtaining Defendants' wage and hour policy documents, to permit Plaintiffs to prepare and update a damages model.

6. Plaintiffs Luis Sedano and Jonathan Avalos, and counsel, have vigorously litigated this matter since its initiation, this includes engaging in informal pre-mediation discovery and

attending a session of private mediation (Sedano), engaging in formal discovery and pre-certification litigation efforts, and/or engaging in continuing settlement negotiations.

7. In reaching the proposed Settlement, Plaintiffs and Class Counsel's negotiation efforts took into consideration relevant factors such as the size of the class, the information and documents obtained through mediation-based and formal pre-certification discovery, the experiences of Plaintiffs, Defendants' projected liability, the expense of continued litigation, the uncertainty inherent in litigating complex matters, such as obtaining and maintaining class certification, Defendants' policies including its compensation practices, Defendants' collective bargaining agreement(s), potential appeals of a future certification order, and Defendants' defenses. Counsel further thoroughly reviewed and analyzed the information, documents and data obtained in connection with Plaintiffs' and the putative class claims. Based on my experience handling similar such claims, I am of the opinion that the proposed settlement represents a favorable resolution for the Settlement Class as it provides for compensation to the absent class members for Defendants' alleged violations without the further expense and uncertainty and risk of further litigation. This proposed settlement is fair and reasonable and comparable to similar class action settlements involving these types of claims. Based on review and analysis of the information and documentation obtained in this action, Class Counsel anticipates that if these matters were certified as a class action, as of the May 1, 2026 acceptance of the mediator's proposal, Defendants' estimated reasonable exposure for the class claims at-issue is approximately $1,778,808.61, which is approximately 24.6% of Defendants' maximum exposure of $7,232,343.86 (assuming a 100% violation rate). However, for the reasons described in the Motion, the Court might ultimately determine the Claims are not suitable for class certification or would be subject to possible decertification after initially granting class certification.

8. Based on the settlement, all putative Class Members who do not request exclusion will share proportionately in the settlement—established by the number of workweeks worked—during the class period. Based on the Settlement's allocations, the average class member payment is estimated at approximately $1,110.75 ($344,333.33 [Net Settlement Amount] / 310 [Approx. Class size]). Based on 45,000 workweeks and on the Settlement's allocations, it is estimated that

the highest Individual Class Payment is $3,167.87 and the lowest Individual Class Payment is $7.65. This is a significant result. In light of my experience, it is my opinion that the settlement for each Participating Class Member is fair, reasonable, and adequate, given the benefits obtained compared to the inherent risk of litigation, the risk relative to class certification and the costs of litigation.

9. Plaintiffs have alleged: common questions of law and fact; typical claims to the class members; that they have no claims that are antagonistic to the other class members; that they and Class Counsel are adequate representatives; and that the class action mechanism is a superior mechanism to resolve these wage and hour claims for the Settlement Class Members.

10. Class Counsel are experienced and qualified to evaluate the class claims and viability of the defenses. This settlement is fair, adequate, and reasonable and in the best interests of the Class.

11. I believe that the class representative enhancement award of $20,000 for Plaintiffs Luis Sedano ($10,000.00) and Jonathan Avalos ($10,000.00), is fair, reasonable, and adequate. Plaintiffs were instrumental in providing information throughout the litigation and through mediation and/or settlement negotiations, and were vigilant to ensure class members were fairly treated. Plaintiffs took on the risk of stigma for filing a class action and representative action lawsuit. Plaintiffs signed a Duties of Class and Collective Action Representative document indicating that they understood the risks and obligations of acting as Class Representatives. Plaintiffs have spent significant time prosecuting this case on behalf of the Settlement Class, most notably providing documents and information to counsel, discussing their experiences with counsel, attending the mediation (Plaintiff Sedano) and engaging in settlement discussions and negotiations (both), reviewing settlement documents, and providing consistent support to counsel. There are few individuals that are willing to act as a Class Representative in these types of actions as a result of potential negative impact on employment prospects. Plaintiffs are signing a general release as part of this settlement. There is no doubt that without Plaintiffs' hard work, diligence, and willingness to assume a large financial and reputational risk, there would have been no recovery in this case. There was ample risk to the Plaintiffs in filing and/or joining the lawsuit as

employers often retaliate or make it very difficult for a person to obtain subsequent employment. Plaintiffs have submitted respective declarations concurrently herewith. Furthermore, Plaintiffs have no conflict of interest or antagonistic claims to the class members that would prevent them from fairly and adequately protecting the class interests.

SUMMARY OF CLAIMS/RISK ANALYSIS

12. This proposed settlement is fair and reasonable and comparable to similar class action settlements involving these types of claims. Based on Class Counsel's review and analysis of the information and documentation obtained in this action, Class Counsel anticipates that if these matters were certified as a class action, proceeded to trial, and resulted in verdicts for Plaintiffs and the Class Members, Defendants' reasonable exposure for the class claims at-issue is approximately $1,778,808.61, which is approximately 24.6% of Defendants' maximum exposure of $7,232,343.86 (at an assumed 100% violation rate).

13. However, for the reasons described below, the Court might ultimately determine the claims are not suitable for class certification or could be subject to decertification after certification is granted. Under the proposed Settlement, Class Members will avoid the risks of continued litigation (including the possibility that class certification will be denied – in which case, no relief will be available to the class members) and receive a pro rata share of the NSA, in exchange for a narrowly tailored release of claims. (Ex. 1 at ¶ 5.2). Based on the Settlement allocations an average participating class member payment is $1,110.75 ($344,333.33 [Net Class Settlement Amount] / 310 [Approx. Class size]). Additionally, all unclaimed funds will be remitted to the California State Controller's Office, Unclaimed Property Division in the name of the Class Member. (Ex. 1 at ¶ 4.4.3); see also Code Civ. Proc. § 384.

14. Class Counsel are of the opinion that the proposed settlement is fair, reasonable and adequate in light the following: Plaintiffs contend that Defendants engaged in a systematic course of illegal employment practices and policies, which were applied across the Class Members, Defendants failed to pay all minimum, overtime and double time wages owed, provide legally compliant rest periods and meal periods, failed to pay sick pay at the regular rate of pay, failed to furnish accurate itemized wage statements, and failed to pay all wages due upon separation of

employment. Defendants deny Plaintiffs' claims and have asserted various defenses thereof; Participating Settlement Class Members will receive compensation for Defendants' alleged violations without further delay; the release of claims is carefully crafted to only resolve the claims that were or could have been asserted based on the facts alleged; the uncertainty of the outcome, risk and expense of litigation in complex class actions; and that no amount of the GSA will revert back to Defendants, among other things. The Settlement accounts for the strengths and risks of each of the class-based claims, as described below.

15. **Meal Period Violations.** Plaintiffs contend that Defendants failed to provide meal periods to Plaintiffs and the Class in violation of Labor Code §§ 226.7 and 512, and Industrial Welfare Commission ("IWC") Wage Order No. 1-2001 and, in such instances where Defendants did pay a premium for a violation, Defendants failed to pay premium wages for the same at the regular rate of pay. Plaintiffs argue Defendants uniformly failed to include all additional remuneration in the regular rate of pay calculation for meal periods when paying meal period premium wages, and/or otherwise paid the same at the base straight time rate, rather than the regular rate of pay, to non-exempt employees. *See Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 863 (meal period premiums must be paid at the regular rate of pay). However, Defendants maintain that they implemented and practiced a compliant meal period premium payment policy and practice at all relevant times. Further, Defendants argue that their meal period policy was compliant. Given the aforementioned challenges, including the potential that the Class would not be certified or later decertified due to differing job titles, duties, and supervisors at the different locations, this claim was significantly discounted. Given the fractional nature of regular rate-based damages and the aforementioned risks related to class certification of direct meal violations, Plaintiffs estimate Defendants' reasonable exposure here is approximately $365,859.52, including interest (approximately 25% of Defendants' estimated maximum exposure of $1,463,438.09 for the claim of failing to pay meal period premiums at the regular rate of pay.

16. **Rest Period Violations.** Plaintiffs contend that Defendants failed to provide rest periods to Plaintiffs and the Class in violation of Labor Code §§ 226.7 and 512, and IWC Wage Order No. 1-2001. The employer satisfies its obligation to provide rest periods if it relieves its

employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted net 10-minute paid rest break, and does not impede or discourage them from doing so. *See Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 265 (employer's responsibilities are the same for meal and rest periods); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1040. Plaintiffs contend that Defendants required production employees to remain at their work stations during 10-minute rest breaks. Defendants' production facilities run 24 hours a day, and Plaintiffs contend Defendants' policies, practices, and/or procedures fail to provide adequate break coverage for an individual working the production line to leave their station. Plaintiffs further contend that Defendants practices and procedures failed to provide rest breaks for production employees for every four hours or major fraction thereof within the relevant time period. However, Defendants maintain that they implemented and practiced a compliant rest period practice at all relevant times. Defendants further contend that this claim would not be certified because there would be individual questions as to rest break practices amongst different job classifications, supervisors, and locations. Further, there would be individual questions as to whether a class member took a rest break on any given shift. Given this, Plaintiffs estimate that Defendants' reasonable exposure here is approximately $412,896.36, including interest (approximately 25% of Defendants' estimated maximum exposure of $1,651,585.42 for the rest period claims).

17. **Unpaid Wage Claims.** Plaintiffs contend that Defendants failed to pay Plaintiffs and the Class all minimum, overtime and/or double time wages for all hours worked, in violation of Labor Code §§ 510, 1194, 1194.2, and IWC Wage Order No. 1-2001. Plaintiffs contend that Defendants failed to include all non-hourly compensation into the regular rate of pay, such as non-discretionary bonuses and/or GTL payments, as required by the Labor Code and Wage Order. *See Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554. Further, Plaintiff Avalos contends that putative class members who worked at the Oxnard facility were suffered or permitted to work without being paid for all hours worked with Defendants' knowledge. Plaintiff Avalos contends Defendants had a rounding practice and/or policy whereby Oxnard employees who were subject to the collective bargaining agreement ("CBA") between Defendants and the

United Steel Works International Union, Local No. 675 were not permitted to clock-in more than seven (7) minutes prior to the start of their shifts. Failure to abide by this rule subjected employees to potential discipline. At the same time, Plaintiff Avalos contends Defendants' timekeeping policy subjected the same employees to discipline if they were even one (1) minute late. Thus, Plaintiff Avalos contends Defendants' rounding and timekeeping policies were not neutral and worked to the detriment of the affected employees. Defendants contend that their policies and practices with regard to payment of minimum, overtime and/or double time wages complies with the Labor Code and Wage Order. Of particular importance, Defendants further contended that class members who worked at the Oxnard facility are subject to the collective bargaining agreement ("CBA") between Defendants and the United Steel Works International Union, Local No. 675. Defendants contended that the CBA exemption to Labor Code §510 thus applied to the Oxnard employees. Further, Defendants contend that this claim will not be certified based on analysis related to its rounding policies. Although Plaintiffs believe that the liability for the regular rate claims is strong, the damages exposure for the same is not significant. Similarly, although Plaintiffs believe the rounding claims are strong given the policies applicable to the Oxnard employees, the risk posed by the CBA and potential exemption through Labor Code §510 is significant. Accordingly, Defendants' reasonable exposure for the total unpaid wage claim is estimated at approximately $734,268.29 (25% of Defendants' estimated maximum exposure of $2,937,073.15 for the total unpaid wage claims).

18. **Wage Statement Violations.** Plaintiffs contend that there is a derivative wage statement violation pursuant to Labor Code § 226 based on failure to pay all unpaid wages (minimum, overtime, and/or double time), failure to pay meal and rest period premiums for non-compliant meal and rest periods, and regular rate violations. At a 100% violation rate, Plaintiffs estimate that Defendants' exposure is approximately $594,700.00 for this claim. Defendants deny liability here to the same degree as they did for the underlying claims. This also raises issues as to whether or not any derivative violations were "knowing and intentional" as required by Labor Code §226(e)(1). Accordingly, the estimated reasonable value of this claim is approximately $148,675.00 (25% of Defendant's estimated maximum exposure for the wage statement violation

claims).

19. **Waiting Time Penalties.** Plaintiff Avalos alleges derivative waiting time penalty claims, in violation of Labor Code §§ 201 and 203. While Plaintiff Avalos confident he can establish the claims for unpaid wages, unpaid meal and rest period premiums, Plaintiff Avalos still needs to overcome the "willful" prong to obtain waiting time penalties pursuant to Labor Code §203. Notwithstanding the other underlying contentions by Defendants, including the alleged impact of the CBA applicable to Plaintiff Avalos and the Oxnard employees. Plaintiff estimates that Defendants' maximum exposure is approximately $585,547.00 for this claim. Defendants argued that the underlying claims will fail and thus so will the derivative claim. Further, Defendants contend that Plaintiffs will not be able to establish the "willful" prong for the unpaid wages claims and/or unpaid meal/rest period premium claims. Plaintiff Avalos would recover nothing under California Labor Code §§ 203 or 226 if he was unable to prove the underlying claims or defeat a "good faith" dispute defense. (*See* Cal. Code Regs. Tit. 8, § 13520; *Naranjo v. Spectrum Sec. Servs., Inc.* (2024) 15 Cal.5th 1056, 1090.) Accordingly, the estimated reasonable value of this claim is approximately $117,109.44 (20% of Defendant's estimated maximum exposure for the waiting time penalties claims).

20. In order to refute Defendants' defenses, Plaintiffs would have to conduct numerous depositions of managers, supervisors, and co-workers, including additional depositions of the person(s) most knowledgeable at each location. Discovery, including additional expert discovery essential to the unpaid wages, meal, and rest period claims, would be extensive and costly. Additionally, ongoing litigation after certification could result in motions related to unresolved discovery disputes as well as a defense motion for summary judgment and/or adjudication. Further litigation will result in both sides logging extensive billable hours and substantial litigation costs, including court reporter fees and expert witness fees.

21. Thus, Plaintiffs estimate that Defendants' total reasonable exposure for the class claims is $1,778,808.61.[1] Accordingly, the $680,000.00 GSA represents an approximate 38.2%

[1] Potential civil penalties under the PAGA are not included in this figure. As discussed in Section V, any PAGA civil penalties are subject to the discretion of the court and may be substantially reduced at the time of judgment.

discount against the same. The proposed settlement thus provides Class Members with the opportunity to obtain relief in a prompt and efficient matter, rather than through a further lengthy litigation process with the potential for appeals and/or potential for not prevailing on these claims at trial or that these claims would not be certified or would later be decertified. Indeed, if Plaintiffs' certification efforts were unsuccessful, there would surely be no recovery for the Class Members. Rather, if a Class Member overcame a potential fear of retaliation and/or became aware of the alleged unlawful conduct of Defendants, then that Class Member would potentially be forced to file and litigate their own individual action, with its own set of risks, expenses, and other hurdles to recovery. This process would have to occur *over 300 times* in order to address that which is already at issue in this Motion. Instead, through this proposed Settlement and associated approval and distribution process, and the efforts of Plaintiffs and Class Counsel, the average Settlement Class Member is required to do nothing more than standby in order to receive an estimated payment of $1,110.75. As such, the proposed settlement is reasonable in light of all known facts and circumstances, including the strengths and weakness of the claims, Defendants' defenses to the same, and the significant risks associated with this particular litigation.

22. I believe that the proposed Settlement is fair, reasonable, and adequate given the known facts and circumstances.

23. To date, I am unaware of any other cases that would overlap with the claims or class in this case. Plaintiffs' Counsel made the following good faith efforts to determine whether the settlement in this matter may affect a related action(s), as defined in California Rules of Court, Rule 3.300. Plaintiffs' Counsel's efforts include meeting and conferring with counsel for Defendants in this action regarding any potentially potential Rule 3.300 related cases, searching the LWDA's online database, and conducting internet searches regarding pending class action or PAGA actions affecting the proposed Settlement Class or PAGA Employees. I did not find any related cases involving the same parties and based on the same or similar claims, arising from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact, or likely for other reasons to require substantial duplication of judicial resources if heard by different judges in my search.

24. In my telephonic meet and confer effort with defense counsel for Defendants, defense counsel did not identify any cases (i) involving the same parties and based on the same or similar claims, (ii) arising from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact, (iii) involving claims against, title to, possession of, or damages to the same property, or (iv) likely for other reasons to require substantial duplication of judicial resources if heard by different judges.

25. Contemporaneously to the filing of this Motion, Class Counsel shall submit the proposed settlement to the LWDA pursuant to Labor Code §2699(s)(2).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed in Rancho Cucamonga, California.

Dated: October 2, 2026 By: */s/Cassandra A. Castro*
Cassandra A. Castro

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND SETTLEMENT NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement" or "Settlement") is made by and between Plaintiff Luis Sedano and Plaintiff Jonathan Avalos, on behalf of themselves and the putative class/aggrieved employees, ("Plaintiffs") and Defendants New-Indy Ontario LLC, New-Indy Oxnard LLC, New-Indy Containerboard LLC, and New-Indy Containerboard Hold Co LLC ("Defendants"). The Agreement refers to Plaintiffs and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means *Luis Sedano and Jonathan Avalos v. New-Indy Ontario LLC, et al.*, Case No. CIVSB2216238, initiated on July 22, 2022 in the Superior Court of California, County of San Bernardino.

1.2. "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "Class" or "Settlement Class" means all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants as follows:

(a) New-Indy Ontario LLC – all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Ontario, California facility during the Ontario Class Period; and/or
(b) New-Indy Oxnard LLC – all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Oxnard, California facility during the Oxnard Class Period.

Defendants represent that as of May 1, 2026, there were approximately 310 individuals in the Class.

1.5. "Class Counsel" means David P. Myers, Jason Hatcher, Cassandra A. Castro, and Andriana N. Bravo of The Myers Law Group, A.P.C.

1.6. "Class Counsel Fees Payment" means the attorneys' fees paid to compensate Class Counsel for their services rendered, and to be rendered, to Plaintiffs, the Settlement Class and the PAGA Employees in connection with the Action. The Class Counsel Fee Payment is not to exceed one-third (33.3333%) of the Gross Settlement Amount ($680,000.00), i.e. the sum of Two Hundred Twenty-Six Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven Cents ($226,666.67).

1.7. "Class Counsel Litigation Expenses Payment" means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action. The Class Counsel Litigation Expenses Payment is not to exceed not to exceed Twenty-Five Thousand Dollars and Zero Cents ($25,000.00).

1.8. "Class Data" means a database containing the following information: (1) the full name, last known address and telephone number and full social security number or date of birth of all Settlement Class Members; and (2) the information necessary to determine the estimated settlement allocation to each Class Member, including without limitation, the total number of Workweeks worked by each Class Member and the total number of pay periods worked by each PAGA Employee within the relevant PAGA Period.

1.9. "Class Member" or "Settlement Class Member" means all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants as follows:

(c) New-Indy Ontario LLC – all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Ontario, California facility during the Ontario Class Period; and/or
(d) New-Indy Oxnard LLC – all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Oxnard, California facility during the Oxnard Class Period.

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. "Class Period" or "Class Periods" means the respective time periods from (1) November 6, 2019 to June 30, 2026 for Class Members who worked at Defendants' Ontario, California facility ("Ontario Class Period"), and (2) July 22, 2018 to June 30, 2026 for Class Members who worked at Defendants' Oxnard, California facility ("Oxnard Class Period").

1.12. "Class Representatives" means the named Plaintiffs Luis Sedano and Jonathan Avalos in the Action seeking Court approval to serve as Class Representatives.

1.13. "Class Representative Service Payment(s)" means the payment to the Class Representatives for initiating the Action and/or providing services in support of the Action.

1.14. "Court" means the Superior Court of California, County of San Bernardino.

1.15. "Defendants" means Defendants New-Indy Ontario LLC, New-Indy Oxnard LLC, New-Indy Containerboard LLC, and New-Indy Containerboard Hold Co LLC.

1.16. "Defense Counsel" means Alexander M. Chemers and Kristin N. Kovacich of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

1.17. "Employer Taxes" means Defendants' share of any employer payroll taxes to be paid in connection with the Settlement (i.e. FICA, FUTA, payroll taxes, and/or any similar tax or charge) shall be paid separate and in addition to the Gross Settlement Amount.

1.18. "Effective Date" means the date by when both the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final when the following occurs: (1) if no timely objections are submitted or if all objections are withdrawn, the date upon which the Court enters the Judgment; (2) if an objection is submitted and not withdrawn, the date for filing an appeal and no such appeal being filed; or (3) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the Settlement.

1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21. "Final Approval Order" means the proposed Order Granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means the non-reversionary maximum amount of Six Hundred Eighty Thousand Dollars and Zero Cents ($680,000.00), exclusive of any and all Employer Taxes that may become due on any amount of this Settlement that is classified as wages, subject to the Escalator Clause in Paragraph 8.1.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount based on Workweeks worked during the applicable Class Period as calculated by the formula in paragraph 3.2.4.

1.24. "Individual PAGA Payment" means the PAGA Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of pay periods worked by each PAGA Employee within the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval Order.

1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (m)[1].

[1] Former subdivision (i). The Settlement is governed by the version of PAGA in effect prior to the 2024 Amendment.

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under the pre-2024 Amendment version of Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the portion of the Gross Settlement Amount after deducting the following payments from the Gross Settlement Amount: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members on a pro rata basis as Individual Class Payments.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. "Operative Complaint" means the proposed Third Amended Complaint, attached hereto in redlined format as **Exhibit B**, which will be filed following preliminary approval of the Settlement.

1.31. "Operative PAGA Notice" means the Amended PAGA Notice to be submitted by Plaintiff Luis Sedano, attached hereto as **Exhibit C**, to supplement his original July 22, 2022 letter to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.32. "PAGA Employee" or "PAGA Employees" mean all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Ontario, California and/or Oxnard, California facilities during the PAGA Period.

1.33. "PAGA Period" means July 22, 2021 to June 30, 2026.

1.34. "PAGA Notice" means Plaintiff Luis Sedano's July 22, 2022 letter to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.35. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Employees ($13,750.00) and the 75% to the LWDA ($41,250.00) in settlement of PAGA claims.

1.36. "Participating Class Member" or "Participating Settlement Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.37. "Plaintiffs" means Luis Sedano and Jonathan Avalos, the named plaintiffs in the Action.

1.38. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.39. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.

1.40. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.41. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.42. "Released Parties" means Defendants and their parents, subsidiaries, affiliates, and related companies, and all of its and their respective past and present employees, directors, officers, shareholders, attorneys, representatives, insurers, agents, successors, and assignees.

1.43. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.44. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and PAGA Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.45. "Settlement" or "Agreement" means this Class Action and PAGA Settlement Agreement as made by and between Plaintiffs and Defendants.

1.46. "Settlement Notice" means the Court approved Notice of Class Action and PAGA Action Settlement and Hearing Date for Final Court Approval to be mailed to Class Members and PAGA Employees in English and Spanish in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.47. "Workweeks" means any week during which a Class Member worked for Defendants during the applicable Class Period. If possible based on Defendants' records, Defendants may exclude weeks during which a Class Member did not perform any work for Defendant, *i.e.*, no time was recorded in Defendants' timekeeping system. The estimated total Workweeks for all Class Members from July 22, 2018 to May 1, 2026 (excluding any Workweeks worked at Defendants' Ontario facility prior to November 6, 2019 that were previously released as to Defendant New-Indy Ontario LLC in a prior settlement in *Chase v. New-Indy Ontario, LLC* (SBSC Case No. CIVDS1900901)) is approximately 45,000.

2. RECITALS.

2.1 On July 22, 2022, Plaintiff Luis Sedano filed a class action complaint alleging causes of action against Defendants for: (1) Failure to Pay All Overtime and Double Time Wages, (2) Failure to Provide Meal Periods, (3) Failure to Provide Rest Periods, (4) Failure to Provide Accurate Wage Statements, (5) Unfair Competition. On December 21, 2022, Plaintiff Sedano filed a First Amended Complaint, adding a Private Attorneys General Act

("PAGA") claim. On July 29, 2024, the Court granted Plaintiff Sedano's motion for leave to amend and deemed filed the Operative Second Amended Complaint, which added (1) Plaintiff Jonathan Avalos as a named representative and (2) a cause of action for Failure to Pay All Wages Due at Separation.

2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff Sedano gave timely written notice to Defendants and the LWDA by sending a PAGA Notice on or about July 22, 2022.

2.3 On October 12, 2023, the Parties participated in an all-day mediation presided over by Lisa Klerman, Esq., but the matter did not resolve at mediation.

2.4 Prior to mediation, Plaintiff Sedano obtained through informal discovery documents including time keeping records and pay records, the personnel files for Plaintiff Sedano, policy documents (Employee Handbooks, etc.), payroll and timekeeping data, and data on the numbers of workweeks and/or pay periods worked.

2.5 After mediation, Plaintiffs engaged in formal discovery, obtaining timekeeping and pay records of putative class members, putative class contact information, taking the deposition of Defendants' person most knowledgeable, and seeking additional written discovery regarding the allegations in Plaintiffs' Operative Complaint.

2.6 After significant pre-certification litigation efforts, and with the assistance of mediator Lisa Kleman, Esq., the matter resolved by way of mutual acceptance of a mediator's proposal on or about May 1, 2026.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendants promise to pay Six Hundred and Eighty Thousand Dollars and Zero Cents ($680,000.00), and no more, as the Gross Settlement Amount excepting that Defendants will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2 Payments from the Gross Settlement Amount. 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 Plaintiffs: Class Representative Service Payment(s) to each of the Plaintiffs of not more than Ten Thousand Dollars and Zero Cents ($10,000.00) per plaintiff (for a total of $20,000.00, or Twenty Thousand Dollars and Zero Cents), in addition to any Individual Class Payment and any Individual PAGA Payments Plaintiffs are entitled to receive as a Participating Class Member and PAGA Employee, respectively. Defendants will not oppose Plaintiffs' request for a Class

Representative Service Payment that does not exceed this amount. As part of the Motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payment(s), which will be filed no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the difference between the requested amount and reduced amount shall be allocated to the Net Settlement Amount to be distributed to the Participating Settlement Class Members. The Administrator will pay the Class Representative Service payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on their respective Class Representative Service Payment(s).

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, or Two Hundred Twenty-Six Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven Cents ($226,666.67) based on the Gross Settlement Amount; and a Class Counsel Litigation Expenses Payment of not more than Twenty-Five Thousand Dollars and Zero Cents ($25,000.00). Defendants will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the difference between the requested amount and reduced amount shall be allocated to the Net Settlement Amount to be distributed to the Participating Settlement Class Members. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using IRS 1099 Forms.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed Nine Thousand Dollars and Zero Cents ($9,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less the $9,000.00, the difference between the approved amount and allocated amount shall be allocated to the Net Settlement Amount to be distributed to the Settlement Class Members.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by dividing the Net Settlement Fund by the total number of Workweeks for all Participating Class Members during the Class Period and then multiplying the result by each Participating Class Member's individual number of Workweeks worked during the Class Period.

3.2.5 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The

Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.6 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments, will not release any claims in this Action, and have Workweeks that will not be included in the pro rata calculation of the Individual Class Payments.

3.2.7 To the LWDA and PAGA Employees: PAGA Penalties, from the Gross Settlement Amount, in the total amount of Fifty-Five Thousand Dollars and Zero Cents ($55,000.00), from which the LWDA PAGA Payment of Forty-One Thousand and Two Hundred Fifty Dollars and Zero Cents ($41,250.00) – equal to 75% of the PAGA Penalties – shall be paid to the LWDA and Thirteen Thousand and Seven Hundred Fifty Dollars and Zero Cents ($13,750.00) – equal to 25% of the PAGA Penalties – shall be paid to the PAGA Employees on a pro rata share under the Individual PAGA Payment calculation.

3.2.8 Individual PAGA Payment: The Administrator will calculate each Individual PAGA Payment by (a) dividing the $13,750.00 by the total number of PAGA Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's individual PAGA Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.9 If the Court approves PAGA Penalties of less than the amount requested, the difference will be allocated to the Net Settlement Amount to be distributed to the Participating Settlement Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Number of Workweeks and PAGA Employee Pay Periods. Defendants estimate that the number of eligible Workweeks for all Class Members from July 22, 2018 to May 1, 2026 is approximately 45,000. Defendants estimate that during the period of July 22, 2021 to May 1, 2026, there were approximately 16,342 pay periods for approximately 267 PAGA Employees. Defendants estimate that from July 22, 2018 to May 1, 2026, there were approximately 310 Class Members.

4.2 Class Data. Not later than 10 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under

this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 30 calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 7 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send the same to all Participating Class Members and PAGA Employees via First Class U.S. Mail, postage prepaid (this includes those Participating Class Members and PAGA Employees whose Settlement Notice was returned undeliverable). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. 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.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and/or PAGA 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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and/or PAGA Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or PAGA Employees whose original check was lost or misplaced, requested by the Participating Class Member and/or PAGA Employee prior to the void date or after the void date but prior to disbursement to the California Controller's Unclaimed Property Fund.

4.4.3 For any Participating Class Member and/or PAGA Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and

cancelled after the void date, and subject to Paragraph 4.4.2, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or PAGA Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

5.1 Plaintiffs' Released Claims. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payment, Plaintiffs shall release, for the Settlement Class Period only, against Defendants and the Released Parties, any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against Defendants and any of the Released Parties of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any and all acts, events and omissions occurring prior to the date Plaintiffs sign this Agreement including, but not limited to, all claims which relate in any way to Plaintiffs' respective employment with or termination of employment from Defendants or any of the other Released Parties. Plaintiffs further release all unknown claims against Defendants and any of the Released Parties, covered by California Civil Code Section 1542, which states: **"A general release does not extend to claims which 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."** No Party releases any claims that cannot be released as a matter of law.

5.2 Release by Participating Settlement Class Members: Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Settlement Class Members will release, for the Settlement Class Period only, against Defendants and the Released Parties all claims and/or legal theories asserted in the Operative Complaint, or that could have been alleged based on the facts in the Operative Complaint, including: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to pay wages for accrued sick days, (6) failure to provide accurate itemized wage statements, (7) failure to timely pay all earned wages at time of separation, (8) unfair and unlawful competition; and (9) all damages, penalties, interest and other amounts recoverable under said causes of action or primary rights under the law, to the extent permissible, including but not limited to the California Labor Code, the applicable Wage Orders, and the California Unfair Competition Law as to the facts alleged in the Operative Complaint. The Participating

Settlement Class Members (not including Plaintiffs) do not release any other claims, including but not limited to claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, claims based on any facts occurring outside the Settlement Class Period, or the PAGA cause of action or claims for PAGA (which are addressed in the PAGA Released Claims).

5.3 Release by PAGA Employees: Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all PAGA Employees will release, for the PAGA Period only, Defendants and the Released Parties from all claims for PAGA penalties that were alleged in the Operative Complaint and all claims for PAGA penalties that could have been brought based on the factual allegations set forth in the Operative Complaint and the Amended PAGA Notice for this Action.

6. MOTION FOR PRELIMINARY APPROVAL.

6.1 Plaintiffs shall file a Motion for Preliminary Approval of the Settlement. The Parties shall cooperate in the preparation of the Motion for Preliminary Approval. Plaintiffs' counsel will draft the motions for preliminary and final approval and provide all necessary documentation to the LWDA.

6.2 Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

1.48. Amended PAGA Notice. Plaintiff Luis Sedano shall submit the Operative PAGA Notice, attached hereto as **Exhibit C**, to supplement his original July 22, 2022 letter to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd.(a), within five (5) days of full execution of the Settlement.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties jointly select Phoenix Settlement Administrators ("Administrator") to serve as the Administrator and verify that, as a condition of appointment, Administrator will agree 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 to 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 Notice to Class Members and PAGA Employees.

7.4.1 No later than 7 days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members and PAGA Employees identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Settlement Notice (with a Spanish translation) substantially in the form attached to this Agreement as Exhibit A. Before mailing Settlement Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 5 days after the Administrator's receipt of any Settlement Notice returned by the USPS as undelivered, the Administrator shall re-mail the Settlement Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Settlement Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Settlement Notice to Class Members or PAGA Employees whose Settlement Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to number of Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended to an additional 15 days beyond the 45 days otherwise provided in the Settlement Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Settlement Notice.

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

7.5 Requests for Exclusion (Opt-Outs).

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

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

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

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, shall not waive or release the Released Class Claims, and shall not have the right to object to the class action components of the Settlement.

7.6 Challenges to Calculation of Workweeks and PAGA Pay Periods. Each Class Member and PAGA Employee shall have 45 days after the Administrator mails the Settlement Notice (plus an additional 14 days for Class Members whose Settlement Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member and PAGA Employee in the Class/PAGA Notice or Settlement Notice, as applicable. The challenge of the allocation is made by communicating with the Administrator via fax, email or mail. The Court will review and resolve any disputes not otherwise resolved by the Administrator and the parties. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel. Any unresolved challenges shall be filed with the Court, by Plaintiffs, via a declaration from the Administrator with the posited challenge documents at the time the Motion for Final Approval is filed and the same shall be served upon the parties.

7.7 Objections to Settlement.

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

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

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Settlement Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Settlement Notices mailed or re-mailed, Settlement Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the

Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4 Workweeks and/or PAGA Pay Periods Challenges. The Court has the authority to address and make final decisions consistent with the terms of this Agreement on all Participating Settlement Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods not resolved prior to the filing of the Motion for Final Approval.

7.8.5 Administrator's Declaration. Not later than 7 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including but not limited to, its mailing of the Settlement Notice, the Settlement Notices returned as undelivered, the re-mailing of Settlement Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. ESCALATOR CLAUSE AND NULLIFACTION CLAUSE

8.1 Escalator Clause and Estimated Workweeks: The estimated number of workweeks at issue for the period of July 22, 2018 to May 1, 2026 is approximately 45,000 workweeks. In the event the number of Workweeks, for the Class Period, is more than 10%, i.e. more than 49,500 Workweeks, then Defendants shall, at their option, either (a) increase the Gross Settlement Amount proportionally by the workweeks in excess of the 10%; or (b) cap the end date of the Class Period as of the date the number of workweeks reaches but does not exceed 10%. Under option (a) an increase of more than 10% shall mean the number of workweeks increase by more than 10% through the Class Period, this will increase the Gross Settlement Amount proportionally over the 10% increase. For example, if the number of workweeks increases by 11% through the Class Period, and Defendants elect option (a) set forth above, then the Gross Settlement Amount shall increase by 1%.

8.2 Nullification: If Settlement Class Members representing more than an aggregate total of 10% of the verified workweeks timely opt out of the class settlement, Defendants shall have the sole and absolute discretion to rescind/void the Settlement no later than five (5) court days prior to the date of the Final Approval Hearing. Defendants agree to meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement. In the event that Defendants elect to rescind/void the Settlement Agreement, Defendants shall provide written notice of such rescission to Class Counsel. Such rescission shall have the same effect as a termination of the Settlement for failure to satisfy a condition of settlement, and the Settlement shall become null and void and have no further force or effect. In the event that Defendants exercise their option to revoke the Settlement, Defendants agree to pay the Administration Costs incurred by the Administrator up to the date of Defendants' notice to revoke.

8.3 Bankruptcy: If Defendants file a petition for bankruptcy prior to Defendants funding the Settlement with the Administrator, then Plaintiffs may rescind the Settlement, rendering the same null and void and placing the Parties, Participating Settlement Class Members, Aggrieved Employees, and the LWDA in the same position prior to May 1, 2026.

9. MOTION FOR FINAL APPROVAL

9.1 Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.2 Response to Objections. Each Party retains the right to respond independently to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.3 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.4 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.

9.5 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount. Nothing in this paragraph, or this Settlement, bars Class Counsel or Plaintiffs from seeking an appeal related to the award of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payments.

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

9.7 If, after submitting the settlement for approval to the Court, the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or Judgment in substantially the form submitted by the parties, the Parties shall work in good faith to resolve the Court's concerns. If, after exhausting all good faith efforts, the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or Judgment in substantially the form submitted by the parties, either Plaintiffs or Defendants may terminate the Settlement. The terminating Party shall give to the other Parties (through its/his/her counsel) written notice of its decision to terminate no later than fourteen (14) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

a. The Settlement shall be terminated and shall have no force or effect and no Party shall be bound by any of its terms.

b. Defendants shall have no obligation to make any payments to any party, the Class, PAGA Employees or attorney.

c. The Preliminary Approval Order, and/or Final Approval Order and/or Judgment shall be vacated.

d. The Settlement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the Settlement or their positions as of May 1, 2026.

e. Except as otherwise discoverable, no ancillary documents, actions, statements, filings in furtherance of settlement (including all matters associated with mediation) shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever.

10. **JUDGMENT AND AMENDED JUDGMENT.**

10.1 Judgment: The Court shall enter judgment based upon the Final Approval.

10.2 Amended Judgment: If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses.

11.2 Confidentiality Prior to Preliminary Approval. Neither the Parties or their counsel shall issue any press release or press announcement of any kind related in any way to the Settlement. The Parties agree that, prior to filing the Motion for Preliminary Approval of the Settlement, the Parties will keep the terms of this Settlement confidential except for purposes of communicating with Plaintiffs, any putative Class Members or PAGA Employees, and the State of California (and its agencies). Plaintiffs shall be informed of this Paragraph and to adhere to this Paragraph. Nothing herein bars Plaintiffs and Class Counsel to discuss, comment on, or disclose the terms of this Settlement: (1) as required by law; (2) as required under the terms of the Settlement; or (3) as required under counsel's duties and responsibilities as Class Counsel or putative class counsel. In response to any

press or media inquiry, the Parties and Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the world wide web), to say the Action has been resolved and that the Parties are satisfied with the Settlement terms. In addition, nothing shall prevent Defendants from denying any and all alleged wrongdoing. Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with Settlement Class Members or certified Class Member or retained plaintiffs or retained putative plaintiffs regarding the Settlement. Class Counsel shall not post this Settlement or the terms of this Settlement on their personal or firm website(s). Nothing in this section prevents disclosure of any Agreement-related information to the Parties' attorneys, accountants, tax preparers, spouses, or financial/business advisors, provided that any such person first agrees for the benefit of the Parties to keep the Agreement-related information confidential.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities, as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be

relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

THE MYERS LAW GROUP, A.P.C.
David Myers, Esq.
Jason Hatcher, Esq.
Cassandra A. Castro, Esq.
Andriana N. Bravo, Esq.
9327 Fairway View Place, Suite 100
Rancho Cucamonga, CA 91730
dmyers@myerslawgroup.com
jhatcher@myerslawgroup.com
ccastro@myerslawgroup.com
abravo@myerslawgroup.com

To Defendants:

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
Alexander M. Chemers, Esq.
Kristin N. Kovacich, Esq.
400 South Hope Street, Suite 1200
Los Angeles, California 90071
zander.chemers@ogletree.com
kristin.kovacich@ogletree.com

11.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically, (e.g., 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 counterparts will be admissible in evidence to prove the existence and contents of this Agreement.

11.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement, pursuant to CCP §583.330, to extend the date to bring the Action to trial under CCP §583.330 is stayed and continued for the entire period of May 1, 2026 until the date the Agreement is terminated.

Dated: 9-17-26

PLAINTIFF LUIS SEDANO

Luis Sedano

Dated: _____

PLAINTIFF JONATHAN AVALOS

Jonathan Avalos

Dated: _____

DEFENDANT NEW-INDY ONTARIO LLC

By:

To Defendants:

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
Alexander M. Chemers, Esq.
Kristin N. Kovacich, Esq.
400 South Hope Street, Suite 1200
Los Angeles, California 90071
zander.chemers@ogletree.com
kristin.kovacich@ogletree.com

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Dated: _____ PLAINTIFF LUIS SEDANO

_____
Luis Sedano

Dated: Sep 1, 2026 PLAINTIFF JONATHAN AVALOS

Jonathan Avalos (Sep 1, 2026 17:33:43 PDT)
Jonathan Avalos

Dated: _____ DEFENDANT NEW-INDY ONTARIO LLC

_____
By:

Docusign Envelope ID: 9D0E1DF8-28A3-81E8-82F1-04554F801F60

To Defendants:

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
Alexander M. Chemers, Esq.
Kristin N. Kovacich, Esq.
400 South Hope Street, Suite 1200
Los Angeles, California 90071
zander.chemers@ogletree.com
kristin.kovacich@ogletree.com

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Dated: _____

PLAINTIFF LUIS SEDANO

_____
Luis Sedano

Dated: Sep 1, 2026

PLAINTIFF JONATHAN AVALOS

Jonathan Avalos (Sep 1, 2026 17:33:43 PDT)
Jonathan Avalos

Dated: 10/1/2026 | 10:38 AM EDT

DEFENDANT NEW-INDY ONTARIO LLC

Signed by:
Scott Conant
19F873020312469...

By: _____

Docusign Envelope ID: 9D0E1DF8-28A3-81E8-82F1-04554F801F60

Dated: 10/1/2026 | 10:38 AM EDT

DEFENDANT NEW-INDY OXNARD LLC

Signed by:
Scott Conant
19F873020312469...

By:

Dated: 10/1/2026 | 10:38 AM EDT

DEFENDANT NEW-INDY CONTAINERBOARD LLC

Signed by:
Scott Conant
19F873020312469...

By:

Dated: 10/1/2026 | 10:38 AM EDT

DEFENDANT NEW-INDY CONTAINERBOARD HOLD CO LLC

Signed by:
Scott Conant
19F873020312469...

By:

Approved as to Form:

Dated: _____

THE MYERS LAW GROUP, A.P.C.

_____
David Myers,
Jason Hatcher,
Cassandra A. Castro,
Andriana N. Bravo
Attorneys for Plaintiffs

Dated: October 1, 2026

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

Alexander Chemers

Alexander M. Chemers,
Kristin N. Kovacich,
Attorneys for Defendants

Dated: _____

DEFENDANT NEW-INDY OXNARD LLC

_____

By:

Approved as to Form:

Dated: 09/17/26

THE MYERS LAW GROUP, A.P.C.

_____

David Myers,
Jason Hatcher,
Cassandra A. Castro,
Andriana N. Bravo
Attorneys for Plaintiffs

Dated: _____

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

_____

Alexander M. Chemers,
Kristin N. Kovacich,
Attorneys for Defendants

Exhibit A

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

Luis Sedano and Jonathan Avalos v. New-Indy Ontario LLC, et al.
San Bernardino County Superior Court Case No.: CIVSB2216238

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

You may be eligible to receive money from an employee class action and Private Attorneys General Act ("PAGA") lawsuit ("Action") against Defendants New-Indy Ontario, LLC and New-Indy Oxnard, LLC, New-Indy Containerboard LLC, and New-Indy Containerboard Hold Co LLC (collectively referred to as "New-Indy" or "Defendants") for alleged employment wage and hour violations.

The proposed Settlement has two main parts: (1) a Class Settlement, and (2) a PAGA Settlement. The Action was filed by employees Luis Sedano and Jonathan Avalos ("Plaintiffs") and seeks payments of (1) back wages and other relief for a class of hourly employees who provided production services for Defendants at their Ontario facility during the Ontario Class Period of November 6, 2019 to June 30, 2026 ("Ontario Class Period") and/or their Oxnard facility during the Oxnard Class Period of July 22, 2018 to June 30, 2026 ("Oxnard Class Period) (the "Class Period"); and (2) civil penalties for hourly employees who worked for Defendants in California and provided production services during the PAGA Period of July 22, 2021 to June 30, 2026 ("PAGA Period").

Based on New-Indy's records, **your Individual Class Payment is estimated to be $_____ (less withholding) and your Individual PAGA Payment is estimated to be $_____.** The actual amount you might receive may change depending on a number of factors as identified below.

The above estimates are based on New-Indy's records showing that **you worked _____ Workweeks** during the Class Period and **you worked _____ Pay Periods** during the PAGA Period. If no amount is stated for your Individual PAGA Payment, then according to New-Indy's records you were not an hourly employee who worked for New-Indy in California during the PAGA Period. If you believe that you worked more Workweeks and/or Pay Periods, you can submit a challenge by the deadline date as outlined below.

The Settlement Class is defined as all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants as follows:

(a) New-Indy Ontario LLC – all current and former California hourly non-exempt employees of Defendants who provided production services for Defendants at their Ontario, California facility during the Ontario Class Period; and/or
(b) New-Indy Oxnard LLC – all current and former California hourly non-exempt

employees of Defendants who provided production services for Defendants at their Oxnard, California facility during the Oxnard Class Period.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement, and enter a judgment, which will require New-Indy to make payments under the Settlement in exchange for Participating Class Members and PAGA Employees releasing claims against New-Indy as stated herein.

New-Indy will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing and Receive a Payment	To receive the cash payment for the Individual Class Payment from this Settlement, you do not have to do anything. **Your estimated Individual Class Payment is estimated to be $_____. See the explanation below.** If you are a PAGA Employee you will also receive the Individual PAGA Payment. **Your estimated Individual PAGA Payment is estimated to be $_____. See the explanation below.**
Exclude Yourself from the Class Action Settlement **The Opt-out Deadline is _____**	If you do not want to fully participate in the proposed Class Settlement, you can opt-out of the Class Settlement by sending the Administrator the Opt-Out Notice (Exhibit 1). If you request exclusion, you will receive **no money from the Class Action portion of the Settlement.** However, if you are a PAGA Employee, you will still receive your PAGA Payment as you cannot opt-out of the proposed PAGA Settlement.
Participating Class Members Can Object to the Class Settlement **Written Objections Deadline is _____**	All Class Members who do not opt-out ("Participating Class Members") can object to the proposed Class Settlement. Directions are provided below.

You May Participate at the _____ Final Approval Hearing	You do not have to attend the Final Approval Hearing, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform.
You Can Challenge the Calculation of Your Workweeks and/or Pay Periods **Written Challenges Must be Submitted by _____**	The amount of your Individual Class Payment depends on how many Workweeks you worked during the applicable Class Period and the PAGA Payment depends on how many Pay Periods you worked at least one day during the PAGA Period. The number of Workweeks you worked and the Pay Periods you worked that are reported for you in this Notice derive from New-Indy's data. If you disagree with either of number of Workweeks you worked and/or the Pay Periods you worked, you may challenge this data pursuant to the process detailed below.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs Luis Sedano and Jonathan Avalos are/were New-Indy employees. The Third Amended Complaint accuses New-Indy of violating California labor laws by failing to: pay all minimum wages, pay all overtime and double time wages, provide meal and rest periods, provide accurate wage statements, and pay all wages due at separation. Based on the same claims, Plaintiffs have also asserted a claim for restitution under California's Unfair Competition Law and Plaintiff Sedano asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"), which is the subject of the proposed Settlement.

Plaintiffs are represented by attorneys: The Myers Law Group, APC (referred to as "Class Counsel").

New-Indy strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether New-Indy or Plaintiffs are correct on the merits.

In the meantime, Plaintiffs and New-Indy hired an experienced, neutral mediator, Lisa Klerman, Esq., in an effort to resolve the Action by negotiating an end to the case via a settlement agreement rather than continuing the expensive and time-consuming process of litigation. The post-mediation negotiations were successful and resulted in the parties signing the Class Action and PAGA Settlement Agreement and Settlement Notice (the "Settlement Agreement" or "proposed Settlement Agreement" or "Agreement"). Both sides agree the proposed Settlement Agreement is

a compromise of disputed claims. By agreeing to settle, New-Indy does not admit any violations or concede the merit of any claims.

The Court preliminarily approved the proposed Settlement Agreement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

New-Indy Will Pay $680,000.00 as the Gross Settlement Amount (Gross Settlement). New-Indy has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses/cost, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, New-Indy will fund the Gross Settlement not more than 30 calendar days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Requested Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to $226,666.67 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to $25,000.00 for their actual litigation expenses incurred. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to $10,000 as a Class Representative Service Payment to each of the Plaintiffs for filing the Action, working with Class Counsel and representing the Class. The Class Representative Service Payment will be the only monies Plaintiffs will receive other than their respective Individual Class Payment and any Individual PAGA Payment under this Settlement.

C. Up to $9,000.00 to the Administrator for services and costs for administering the Settlement.

D. Up to $55,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the PAGA Employees based on their PAGA Period Pay Periods.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members on a pro rata basis as detailed below.

Taxes Owed on Payments to Class Members. Plaintiffs and New-Indy are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. New-Indy will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. You should consult the California Controller's Unclaimed Property Fund instructions to determine how to retrieve your money should you not timely cash any check you receive as part of this proposed Settlement.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out via the attached form by the _____ Response Deadline. Excluded Class Members (i.e., those who opt-out of the Class Settlement) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against New-Indy.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement and who also qualify as a PAGA Employee will still receive the Individual PAGA Payment and are required to give up their right to assert PAGA claims against New-Indy for the Released PAGA Claims detailed below.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and New-Indy have agreed that, in either case, the Settlement will be void; and New-Indy will not pay any money and Participating Class Members will not release the Released Class Claims.

Administrator. The Court has appointed a neutral company Phoenix Settlement Administrators (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also process Class Member Challenges to the number of Workweeks worked and/or the Pay Periods worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

Participating Class Members' Release. After the Judgment is final and New-Indy has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the Released Class Claims under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against New-Indy for the Released

Class Claims.

The Participating Class Members will be bound by the following release that constitutes the Released Class Claims:

> Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Settlement Class Members will release, for the Settlement Class Period only, against Defendants and the Released Parties all claims and/or legal theories asserted in the Operative Complaint, or that could have been alleged based on the facts in the Operative Complaint, including: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to pay wages for accrued sick days, (6) failure to provide accurate itemized wage statements, (7) failure to timely pay all earned wages at time of separation, (8) unfair and unlawful competition; and (9) all damages, penalties, interest and other amounts recoverable under said causes of action or primary rights under the law, to the extent permissible, including but not limited to the California Labor Code, the applicable Wage Orders, and the California Unfair Competition Law as to the facts alleged in the Operative Complaint. The Participating Settlement Class Members (not including Plaintiffs) do not release any other claims, including but not limited to claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, claims based on any facts occurring outside the Settlement Class Period, or the PAGA cause of action or claims for PAGA (which are addressed in the PAGA Released Claims).

PAGA Employees' PAGA Release. After the Court's judgment is final, and New-Indy has paid the Gross Settlement and separately paid the employer-side payroll taxes, all PAGA Employees will be barred from asserting the Released PAGA Claims against New-Indy, whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Participating Class Members and those who are not Participating Class Member (i.e. opt-out of the Class Settlement), cannot sue, continue to sue, or participate in any other PAGA claim against New-Indy, for the Released PAGA Claims.

The PAGA Employees will be bound by the following release that constitutes the Released PAGA Claims:

> Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all PAGA Employees will release, for the PAGA Period only, Defendants and the Released Parties from all claims for PAGA penalties that were alleged in the Operative Complaint and all claims for PAGA penalties that could have been brought based on the factual allegations set forth in the Operative Complaint and the Amended PAGA Notice for this Action.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by dividing the Net Settlement Fund by the total number of Workweeks worked by all Participating Class Members during the Class Period and then multiplying the result by each Participating Class Member's individual number of Workweeks worked during the Class Period.

Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing $13,750.00 (25% of the PAGA Penalties) by the total number of PAGA Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's individual PAGA Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in New-Indy's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter and any supporting documentation to the Administrator via mail, email or fax.

You need to support your challenge by sending copies of pay stubs or other records. The Court will review and resolve any disputes not otherwise resolved by the Administrator and the parties. The Administrator shall promptly provide copies of all challenges to calculation of number of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel during the period for Class Member and PAGA Employee challenges. Any unresolved challenges shall be filed with the Court, by Plaintiffs, via a declaration from the Administrator with the posited challenge documents at the time the Motion for Final Approval is filed. You should send copies rather than originals because the documents will not be returned to you.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) and all those individuals who qualify as PAGA Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment as applicable.

PAGA Employees Who Are Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Employee who opted out of the Class Settlement.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible.

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

If you do not want to participate as a Settlement Class Member, you may "opt out", which will remove you from the Class Settlement and you will not receive an Individual Class Payment. That is, if the Court grants final approval of the settlement, you will not receive any money for the Individual Class Payment and you will not give up the right to sue New-Indy for the Released Class Claims. If you choose to opt out you must timely send a written opt out request (attached as Exhibit 1) to the Settlement Administrator. Please note that opting out of the Class Settlement does not affect PAGA Employee status or the Released PAGA Claims.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and New-Indy are asking the Court to approve. At least 16 court days before _____, the Final Approval Hearing date, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, reasonable, and adequate; and (2) a Motion for Fees, Litigation Expenses and Service Payments stating the amount Class Counsel is requesting as a Class Counsel Fees Payment; Class Counsel Litigation Expenses Payment; Class Representative Service Payments; and Administration Expenses Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____(url) or the Court's website for a fee at: https://cap.sb-court.org/search

A Participating Class Member who disagrees with any aspect of the Settlement Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Payments may object. **The deadline for sending written objections to the Administrator is** _____. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action "*Sedano/Avalos v. New-Indy Ontario LLC, et al.*, Case No. CIVSB2216238" and include your name, current address, telephone number, and approximate dates of employment for New-Indy and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but do not have to, attend the Final Approval Hearing on _____ at _____ in Department S26 of the San Bernardino Superior Court, Justice Center, located at 247 West Third Street, San Bernardino, CA 92415. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel

and Defense Counsel before making any decisions. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom or Court Call (https://sanbernardino.courts.ca.gov/online-services/remote-access). Check the Court's website for the most current information on remote access.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything New-Indy and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Settlement's website at _____(url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://cap.sb-court.org/search) and entering the Case Number for the Action, Case No. CIVSB2216238. You can also make an appointment to personally review court documents in the Clerk's Office at the San Bernardino Justice Center Courthouse by calling (909)708-8678.

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

Class Counsel:
Name of Attorney: David Myers, Jason Hatcher, Cassandra A. Castro, Andriana N. Bravo
Email Address: jhatcher@myerslawgroup.com
Name of Firm: The Myers Law Group, APC
Mailing Address: 9327 Fairway View Place, Suite 100, Rancho Cucamonga, CA 91730
Telephone: (909) 919-2027

Settlement Administrator:
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your Settlement check before cashing it, the Administrator will replace an uncashed check as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund at https://www.sco.ca.gov/upd_msg.html for instructions on how to retrieve the funds.

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11. WHAT IF I CHANGE MY ADDRESS?

If you move or otherwise change your mailing address after receipt of this notice, you should immediately notify the Administrator, at the contact information in Section 9 above, in order to ensure your check is mailed to the correct address.

Exhibit 1

OPT OUT NOTICE

REQUEST FOR EXCLUSION FROM SETTLEMENT IN SEDANO/AVALOS V. NEW-INDY ONTARIO LLC, *ET AL*.

San Bernardino County Superior Court, Case No. CIVSB2216238

If you exclude yourself from the Class Action Settlement, you will receive NO money from the Class Action Settlement, and you will not be bound by its terms. You will however receive a pro-rata portion of the PAGA settlement.

Name:	
Street Address:	
City/State/Zip Code:	
Telephone Number:	
Last Four Digits of Social Security Number:	

I have read the Court Approved Notice of Class Action and PAGA Action Settlement and I wish to opt out of the class action settlement of the case *Luis Sedano and Jonathan Avalos v. New-Indy Ontario LLC, et al.*, San Bernardino County Superior Court, Case No. CIVSB2216238.

Dated: _____ _____
(Month, Day, Year) (Signature)

_____
(Typed or Printed Name)

Exhibit B

David P. Myers (SBN 206137)
dmyers@myerslawgroup.com
Jason Hatcher (SBN 285481)
jhatcher@myerslawgroup.com
Cassandra A. Castro (SBN 334238)
ccastro@myerslawgroup.com
Andriana N. Bravo (SBN 349191)
abravo@myerslawgroup.com
THE MYERS LAW GROUP, A.P.C.
9327 Fairway View Place, Suite 100
Rancho Cucamonga, CA 91730
Telephone: (909) 919-2027
Facsimile: (888) 375-2102

Attorneys for Plaintiff LUIS SEDANO and JONATHAN AVALOS, and all others similarly situated.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

LUIS SEDANO; and JONATHAN AVALOS, on behalf of themselves and all others similarly situated

PLAINTIFF,

v.

NEW-INDY ONTARIO LLC, a Delaware Limited Liability Company; NEW-INDY OXNARD LLC, a Delaware Limited Liability Company; NEW-INDY CONTAINERBOARD LLC, a Delaware Limited Liability Company; NEW-INDY CONTAINERBOARD HOLD CO LLC, a Delaware Limited Liability Company; and DOES 1 through 100, inclusive

DEFENDANTS.

Case No.: CIVSB2216238

~~SECOND~~ THIRD AMENDED CLASS ACTION COMPLAINT

1. ~~**Failure to Pay All Overtime and Double Time**~~**Unpaid Wages**
2. **Failure to Provide Meal Periods**
3. **Failure to Provide Rest Periods**
4. **Failure to Provide Accurate Wage Statements**
5. **Unfair Competition**
6. **Private Attorneys General Act**
7. **Failure to Pay All Wages Due at Separation**
~~7.~~8. **Failure to Pay All Accrued Sick Pay**

DEMAND FOR JURY TRIAL

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Plaintiffs LUIS SEDANO and JONATHAN AVALOS, on behalf of themselves, and all others similarly situated and the general public (hereinafter referred to as "Plaintiffs"), hereby file this proposed class action Complaint against Defendants NEW-INDY ONTARIO LLC, a Delaware Limited Liability Company; NEW-INDY OXNARD LLC, a Delaware Limited Liability Company; NEW-INDY CONTAINERBOARD LLC, a Delaware Limited Liability Company; NEW-INDY CONTAINERBOARD HOLD CO LLC, a Delaware Limited Liability Company; and DOES 1 through 100 (hereinafter collectively referred to as "Defendants"). Plaintiffs are informed and believe, and on the basis of that information and belief, allege as follows:

I. INTRODUCTION

1. This is a civil class action brought on behalf of Plaintiffs and all other individuals who worked for Defendants in California as hourly non-exempt production employees at any time from four years preceding the filing of this action, and continuing until class certification ("Class Period"), who Defendants failed to pay all minimum and/or overtime and/or double time wages, failed to provide meal breaks or meal period premium pay at the correct regular rate of pay in lieu thereof, failed to provide rest breaks or rest period premium pay at the correct regular rate of pay in lieu thereof, failed to provide sick pay at the correct regular rate of pay, failed to provide accurate wage statements and for violating the California Unfair Competition Law.

2. Plaintiffs seek, among other things, all wages, restitutionary disgorgement, and statutory penalties. Plaintiffs seek to represent the following Class:

> All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants at any time from four years prior to the filing of the original complaint to the date of class certification. (The "Class").

3. This civil action seeks recovery of unpaid wages, waiting time penalties, and statutory penalties for Defendants' violations of California Labor Code ("Labor Code") §§ 218, 218.5, 226, 226.7, 246, 510, 512, 1194, 1197 and the applicable Wage Order(s) issued by the California Industrial Welfare Commission (hereinafter, the "IWC Wage Order(s)"). The Plaintiffs for themselves, and on behalf of the general public, and all others similarly situated, brings an action for monetary damages for failure to pay wages, declaratory relief and restitution for Defendants' violations of California Business and Professions Code ("B&PC") §17200, *et seq.*,

including full restitution of all compensation retained by Defendants, as a result of its unlawful, fraudulent, and unfair business practices. Further, Plaintiffs seek injunctive relief under B&PC §17200, *et seq.*

4. The term "Plaintiffs" refers to Luis Sedano and Jonathan Avalos, who are the named Plaintiffs and putative class representatives.

5. Plaintiffs seek all available relief, including full restitution and/or disgorgement of all revenues, earnings, profits, compensation and benefits retained by Defendants, in addition to injunctive relief, as a result of Defendants unlawful and unfair business practices. The acts complained of herein occurred, occur and will occur, at least in part, within the time period from four (4) years preceding the filing of ~~this~~ the original complaint up to and through the date class certification for this matter is ordered (hereinafter, the "Relevant Time Period").

II. JURISDICTION AND VENUE

6. Jurisdiction is proper in this Court because it is a civil action where the amount in controversy, exclusive of interests and costs, exceeds the jurisdictional minimum of the Court. The acts and omissions complained of in this action took place in the State of California, and all Defendants have subjected themselves to the State of California.

7. The California Superior Court has jurisdiction in this matter due to Defendants' violations of California Labor Code §1194, *et seq.*; Labor Code §§226, 226.7, and 226.8; Labor Code §500, *et seq.*; B&PC §17200, *et seq.*; the applicable IWC Wage Order(s) and related common law principles.

8. The San Bernardino Superior Court is the proper venue for this action pursuant to CCP §395(a) and §395.5 as, at all relevant times, Defendants conducted business and engaged in acts and omissions which are subject matter of this Complaint in the County San Bernardino. Defendants maintain a business location in Ontario, California, and Plaintiffs and the other class members transacted Defendants' business within the County of San Bernardino and throughout the State of California.

///

~~8.~~ ///

III. PARTIES

9. Plaintiffs are now and/or at all times mentioned in this Complaint a resident of the State of California. Plaintiff Luis Sedano works for Defendants as a non-exempt hourly employee in the state of California. Plaintiff Jonathan Avalos worked for Defendants as a non-exempt hourly employee in the state of California.

10. Plaintiffs seeks for themselves, and the entirety of the class, all unpaid minimum wages, overtime wages, and double time wages owed, due to Defendants' failure to pay all minimum wages and/or overtime and/or double time wages at the correct regular rate of pay, pursuant to Labor Code §§510, 1194, 1194.2, 1197 and the applicable Industrial Welfare Commission ("IWC") Wage Order.

11. Plaintiffs seeks for themselves, and the entirety of the class, all unpaid meal period premium pay for each day Defendants failed to provide a compliant meal period(s) at the regular rate of pay/compensation, pursuant to Labor Code §§512, 226.7 and the applicable Industrial Welfare Commission ("IWC") Wage Order.

12. Plaintiffs seeks for themselves, and the entirety of the class, all unpaid rest period premium pay for each day Defendants failed to provide a compliant rest period(s) at the regular rate of pay/compensation, pursuant to Labor Code §§512, 226.7 and the applicable Industrial Welfare Commission ("IWC") Wage Order.

~~12.~~13. Plaintiffs seeks for themselves, and the entirety of the class, all penalties for violations of Labor Code §246 and the applicable Industrial Welfare Commission ("IWC") Wage Order, for Defendants' failure to pay accrued sick pay wages at the regular rate of pay/compensation.

~~13.~~14. Plaintiffs seeks for themselves, and the entirety of the class, penalties for violations of Labor Code §226(a) in providing inaccurate wage statements, the greater of actual damages or penalties from Defendants pursuant to Labor Code §226(e).

~~14.~~15. Plaintiff Jonathan Avalos seeks for himself and the class, penalties for failure to pay wages due upon separation of employment. This includes but is not limited to minimum wages, overtime and double time wages, and meal and/or rest period premiums at the regular rate of pay.

~~15.~~16. Defendant NEW-INDY ONTARIO LLC ("New-Indy Ontario") is now and/or at all times mentioned in this Complaint a Delaware Limited Liability Company, licensed to do business and actually doing business in the State of California.

~~16.~~17. Defendant New-Indy Ontario is and has been an "employer" of Plaintiffs and the class under the meaning of the California Labor Code, common law, and the applicable IWC Wage Orders at all relevant times.

~~17.~~18. Defendant NEW-INDY OXNARD LLC ("New-Indy Oxnard") is now and/or at all times mentioned in this Complaint a Delaware Limited Liability Company, licensed to do business and actually doing business in the State of California.

~~18.~~19. Defendant New-Indy Oxnard is and has been an "employer" of Plaintiffs and the class under the meaning of the California Labor Code, common law, and the applicable IWC Wage Orders at all relevant times.

~~19.~~20. Defendant NEW-INDY CONTAINERBOARD LLC ("New-Indy CB") is now and/or at all times mentioned in this Complaint a Delaware Limited Liability Company, licensed to do business and actually doing business in the State of California.

~~20.~~21. Defendant New-Indy CB is and has been an "employer" of Plaintiffs and the class under the meaning of the California Labor Code, common law, and the applicable IWC Wage Orders at all relevant times.

~~21.~~22. Defendant NEW-INDY CONTAINERBOARD HOLD CO LLC ("New-Indy CB Hold") is now and/or at all times mentioned in this Complaint a Delaware Limited Liability Company, licensed to do business and actually doing business in the State of California.

~~22.~~23. Defendant New-Indy CB Hold is and has been an "employer" of Plaintiffs and the class under the meaning of the California Labor Code, common law, and the applicable IWC Wage Orders at all relevant times.

~~23.~~24. Plaintiffs do not know the true names and capacities of Defendants sued herein as "DOES 1-100, inclusive," and therefore sues these Defendants by such fictitious names. Defendants, including each fictitiously named DOE Defendant, owned, controlled, or managed the business for which Plaintiffs worked and/or who directly or indirectly exercised operational

control over the wages, hours, and working conditions of Plaintiffs and the Class members. Defendants, including DOES 1-100, held ownership, officer, director and/or executive positions with the remaining Defendants, and acted on behalf of the remaining Defendants, which included decision-making responsibility for, and establishment of, illegal wage and hour practices, payroll practices, and policies for Defendants which have damaged Plaintiffs and the Class members. Therefore, Defendants and DOES 1-100, are "employers" as a matter of law and personally liable on the causes of action alleged herein. Plaintiffs will seek leave of the court to amend this complaint to allege such names and capacities as soon as they are ascertained.

~~24.~~25. Plaintiffs are informed and believes and thereon alleges that all Defendants, including the fictitious DOE Defendants, were at all relevant times acting as actual agents, conspirators, ostensible agents, partners and/or joint ventures of all other Defendants. The actions of Defendants, their officers, managers, supervisors, agents, and other employees of Defendants against Plaintiffs and all others similarly situated were ratified by Defendants.

~~25.~~26. Plaintiffs are informed and believes, and thereon alleges, that each and all of the acts and omissions alleged herein were performed by, and/or attributable to, all Defendants, each acting as agents and/or employees, and/or under the direction and control of the each of the other Defendants, and that said acts and failures to act were within the course and scope of said agency, employment, and/or direction and control. Plaintiffs are informed and believes, and thereon alleges, that at all times material hereto Defendants were and are the agents of each other.

27. Plaintiffs further allege that all respective Defendants complained of herein are in some manner vicariously, statutorily or otherwise liable for the acts and/or omissions of the other Defendants likewise complained of herein, jointly and severally, whether by virtue of a statutory, office, director, agency, managing agency, employment, joint employer, indirect employer, co-conspirator, aider or abettor, partnership, alter ego, association and/or joint venture relationship, affiliation or otherwise, each acting within the course and scope of such relationship(s) with actual and/or apparent authority to do so, directing, controlling, ratifying, or otherwise furthering the actions and/or omissions herein complained of.

~~26.~~ ///

~~27.~~28. At all relevant times alleged herein, Plaintiffs and the Class were employed by Defendants in the State of California.

~~28.~~29. Defendants personally profited by keeping wages that were owed to Plaintiffs and the Class under California's wage and hour laws, and Defendants obtained an unfair competitive advantage over law-abiding businesses by not paying Plaintiffs and the Class according to the legal minimum standards.

~~29.~~ All allegations in this complaint, except as to the facts relating to Plaintiffs that are based upon their knowledge, are based upon information and belief, and are likely to have evidentiary support after a reasonable opportunity for further investigation and/or discovery. Whenever allegations in this complaint are contrary or inconsistent, such allegations are made in the alternative.

30.

IV. COMMON FACTUAL AND CLASS ALLEGATIONS

~~30.~~31. Plaintiffs brings this lawsuit on behalf of themselves and the proposed Class, which is made up of all California persons who are current and former hourly, non-exempt, production employees of Defendants from four (4) years preceding the filing of this action to the present. Plaintiffs and the Class members seek, without limitation, damages, unpaid wages, restitution, injunctive relief, declaratory relief, penalties, liquidated damages, interest, costs, and attorneys' fees to remedy Defendants' violations of wage and hour laws and unfair business practices in the manufacturing and supplying of recycled containerboard-related goods.

~~31.~~32. Throughout the Class Period, Plaintiffs and all class members were and are employees of Defendants, entitled to all of the protections afforded to employees under the Labor Code and applicable IWC Wage Orders.

~~32.~~33. Defendants' primary business is the manufacturing and supplying of recycled containerboard-related goods throughout the state of California and nationwide.

~~33.~~34. Throughout the Class Period, Defendants knowingly and willfully engaged and continue to engage in an unlawful scheme to avoid complying with California wage and hour laws and other state employee rights and benefits. While employed by Defendants as hourly non-exempt

production employees, Plaintiffs and the Class members routinely worked in excess of eight (8) hours per day and/or forty (40) hours per week. While employed by Defendants as hourly non-exempt production employees, Plaintiffs and the Class members at times worked in excess of twelve (12) hours per day.

~~34.~~35. Throughout the Class Period, Plaintiffs and Class members worked in excess of eight (8) hours per work-day or forty (40) hours per work week. Defendants failed to pay current and former non-exempt hourly employees one-and-one-half times their regular rate of pay for all hours worked in excess of eight (8) hours per day or forty (40) hours per workweek.

~~35.~~36. Throughout the Class Period, Plaintiffs and Class members worked in excess of twelve (12) hours per work-day. Defendants failed to pay current and former non-exempt hourly employees no less than two (2) times their regular rate of pay for all hours worked in excess of twelve (12) hours per day.

~~36.~~37. Throughout the Class Period, Defendants failed to authorize and permit compliant meal periods. Plaintiffs and Class members were assigned to and required to work shifts lasting over five (5) hours, and were not provided nor allowed to take a timely thirty (30) minute uninterrupted off-duty meal break prior to the fifth hour of work. Plaintiffs and Class members were at times worked in excess of ten (10) hours, due to Defendants' assigned shifts and workload, without a second timely uninterrupted off-duty thirty (30) minute meal break at the direction of Defendants without exemption.

~~37.~~38. Throughout the Class Period, Defendants failed and continue to fail to pay for meal period violations at the correct regular rate of pay.

~~38.~~39. Throughout the Class Period, Defendants failed to authorize and provide paid rest periods compliant with the provisions of the California Labor Code and applicable Wage Order. Plaintiffs and Class members were assigned to and required to work shifts lasting over four (4) hours and were not provided nor allowed to take a non-duty free paid ten-minute uninterrupted rest break during each four (4) hour work period, or major fraction thereof, at the direction of Defendants and/or with Defendants knowledge and acquiescence.

~~39.~~40. Throughout the Class Period, Defendants failed and continue to fail to pay for rest

period violations at the correct regular rate of pay.

~~40.~~41. Throughout the Class Period, Defendants willfully failed to provide accurate wage statements to Plaintiffs and the class that included, but was not limited to, showing gross wages earned, total hours worked by the employee, net wages earned, and all applicable hourly rates in effect during the pay period and corresponding number of hours worked at each hourly rate by the employee, and meal and/or rest period premium payments.

~~41.~~42. Defendants failed to pay Plaintiff Jonathan Avalos and the Class all earned wages timely upon termination. This includes but is not limited to minimum wages, overtime and double time wages, and meal and/or rest period premiums at the regular rate of pay.

~~42.~~43. The underpayment of wages to the Plaintiffs and the Class is a consequence of Defendants' unlawful policies and practices which were centrally devised, implemented, communicated, and applied to Plaintiffs and all Class members.

~~43.~~44. Because of Defendants' unlawful conduct, Plaintiffs and Class members have been and continue to be systematically deprived of earned wages to which they are entitled by law and equity, and deprived of other benefits provided by the Labor Code and applicable IWC Wage Orders, to the detriment of ~~himself~~themselves, their families, and the public at large.

Class Action Allegations

~~44.~~45. Plaintiffs bring this action on their own behalf and on behalf of the proposed Class, pursuant to California Code of Civil Procedure §382.

~~45.~~46. Further, this action is brought for the benefit of the public, who are entitled to restitution of those funds improperly withheld by Defendants.

~~46.~~47. The Classes which Plaintiffs seek to represent are composed of and defined as follows:

> All current and former California hourly non-exempt production employees of Defendants for the period from four (4) years preceding the filing of the initial complaint through the date of class certification who provided production services for Defendants. (The "Class").
>
> **Sub-Class 1**
>
> All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and who worked at

least one (1) shift pursuant to Defendants' rounding policy ~~of eight (8) hours or more in a day or over forty (40) hours in a workweek, or at least one (1) shift over twelve (12) hours in a workday~~, from four (4) years preceding the filing of the initial complaint through the date of class certification. ("~~Regular Rate~~Rounding Class").

Sub-Class 2

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and who worked at least one (1) shift of eight (8) hours or more in a day or over forty (40) hours in a workweek, or at least one (1) shift over twelve (12) hours in a workday, from four (4) years preceding the filing of the initial complaint through the date of class certification. ("Regular Rate Class").

~~All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and who worked at least one (1) shift of eight (8) hours or more in a day or over forty (40) hours in a workweek, or at least one (1) shift over twelve (12) hours in a workday, from four (4) years preceding the filing of the initial complaint through the date of class certification. ("Regular Rate Class").~~

Sub-Class 3~~2~~

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and who worked at least one (1) day of more than six (6) hours from four (4) years preceding the filing of the initial complaint through the date of class certification. ("Meal Period Class").

Sub-Class 4~~3~~

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and who worked at least one (1) shift of 3.5 hours or more from four (4) years preceding the filing of the initial complaint through the date of class certification. ("Rest Period Class").

Sub-Class 5~~4~~

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants from one (1) year preceding the filing of the initial complaint through the date of class certification, who were provided a wage statement by Defendants and are members of Sub-Class 1 and/or 2 and/or 3 and/or 4. ("Wage Statement Class").

Sub-Class 6~~5~~

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants from three (3) years preceding the filing of the initial complaint through the date of class certification, who are members of Sub-Class 1 and/or 2 and/or 3 and/or 4. ("Waiting Time Penalties Class").

Sub-Class 7

All current and former California hourly non-exempt production employees of Defendants who provided production services for Defendants and were paid accrued sick pay wages, from four (4) years preceding the filing of the initial complaint through the date of class certification. ("Sick Pay Class").

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Plaintiffs reserve the right to amend or otherwise alter the class definition presented to the Court at the appropriate times, or to propose or eliminate sub-classes, in response to facts learned through discovery, or otherwise.

~~47.~~48. This action has been brought and may be properly maintained as a class action pursuant to the provisions of the Code of Civil Procedure §382 and other applicable law.

~~48.~~49. **Numerosity:** Plaintiffs are informed and believe and on that basis allege that the proposed Classes consist of over 75 people who are currently and formerly employed by Defendants in California as hourly non-exempt production employees during the relevant time period. It is possible to ascertain the number of former and current employees who are members of the proposed class, but they are so numerous that joinder is impracticable. The proposed Class includes future employees (persons who are hired by defendant within the class period, but who are not now class members as current or former employees) whose joinder is currently impossible. The precise number of Class members and their addresses can be determined by Defendants' business records and will become known to Plaintiffs through discovery. Class members may be notified of the pendency of this action by mail, e-mail, the internet, or published and posted notice.

~~49.~~50. **Typicality:** Plaintiffs' claims are typical of the claims of members of the proposed classes. Defendants employed Plaintiffs during the statutory period, and Plaintiffs have been subjected to Defendants' unlawful employment practices, as alleged in this Complaint.

~~50.~~51. **Adequacy of Class Representative:** Plaintiffs will fairly and adequately protect the interests of the classes. Plaintiffs' interests do not conflict with Class members' interests, and Plaintiffs have retained competent and experienced counsel. The interests of Class members will be fairly and adequately protected by Plaintiffs and their counsel.

~~51.~~52. **Common Questions of Law and Fact:** Common questions of law and fact exist as to all Class members and predominate over any questions affecting solely individual members

of the proposed Class:

a. Whether Defendants improperly retained, appropriated or deprived Plaintiffs and members of the proposed classes of the use of monies or sums to which they were legally entitled;

b. Whether Defendants engaged in a pattern or practice of failing to pay Plaintiffs and the members of the Class the full amount of minimum wages, for all hours worked, in violation of the applicable Labor Code provisions including §§1194, 1194.2, and/or 1197;

~~b.~~c. Whether Defendants engaged in a pattern or practice of failing to pay Plaintiffs and the members of the Class the full amount of overtime and/or double time wages, based on the regular rate of pay, for each hour in excess of eight (8) per day, or forty (40) per week, and/or over twelve (12) hours in a workday, in violation of the applicable Labor Code provisions including §§510 and 1194;

~~c.~~d. Whether Defendants engaged in unlawful, unfair, and/or fraudulent business practices;

~~d.~~e. Whether Defendants, and each of them, was/were participants in the alleged unlawful conduct;

~~e.~~f. Whether Defendants engaged in a pattern or practice of failing to provide Plaintiffs and the members of the Class meal periods in violation of IWC Wage Order No. 1-2001 and Labor Code §§ 226.7, 512 by failing to timely provide 30-minute uninterrupted meal periods to Plaintiffs and Class members;

~~f.~~g. Whether Defendants engaged in a pattern or practice of failing to provide Plaintiffs and the members of the Class meal periods in violation of IWC Wage Order No. 1-2001 and Labor Code §§ 226.7, 512 by failing to timely provide the required number of 30-minute uninterrupted meal periods to Plaintiffs and Class members;

~~g.~~h. Whether Defendants engaged in a pattern or practice of failing to pay meal period premium payments at the correct regular rate of pay to Plaintiffs and Class members;

~~h.~~i. Whether Defendants engaged in a pattern or practice of failing to provide Plaintiffs and the members of the Class legally compliant rest periods in violation of the applicable Wage Order and Labor Code §§226.7, 512 by failing to provide legally compliant rest periods

j. Whether Defendants engaged in a pattern or practice of failing to pay rest period premium payments at the correct regular rate of pay to Plaintiffs and Class members;

~~i.~~k. Whether Defendants engaged in a pattern or practice of failing to pay accrued sick pay wages at the correct regular rate of pay to Plaintiffs and Class members in violation of the applicable Wage Order and Labor Code §246;

~~j.~~l. Whether Defendants engaged in unfair practice and violated California Business and Professions Code §17200 *et seq*. by failing to compensate Plaintiffs and the members of the Class their full amount of minimum, overtime, and/or double time wages;

~~k.~~m. Whether Defendants violated Labor Code §203 by failing to pay all wages due upon separation;

~~l.~~n. Whether Defendants failed to provide accurate wage statements to Plaintiffs and members of the Class; and

~~m.~~o. The nature and extent of class-wide injury and measure of damages for the injury.

~~52.~~53. **Superiority and Substantial Benefit:** A class action is the superior method for the fair and efficient adjudication of this controversy. Defendants implemented an illegal scheme that is generally applicable to the members of the proposed classes. Damages suffered by each Class member may be relatively small given the burden and expense of individual prosecution of the

complex and expensive litigation necessitated by Defendants' conduct. Further, it would be virtually impossible for the Class members to redress the wrongs done to them on an individual basis. Even if Class members could afford such individual litigation, the court system could not. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of a single adjudication, economies of scale, and comprehensive supervision by a single court.

~~53.~~54. Plaintiffs know of no difficulty that will be encountered in the management of this litigation that would preclude its maintenance as a class action. Plaintiffs are informed and believes, and on that basis alleges, that the amount of money due each Class member as economic damages is ascertainable from Defendants' records, or may readily be determined by other means.

~~54.~~55. The Classes should also be certified because:

a. The prosecution of separate actions by individual Class members would create a risk of inconsistent or varying adjudications with respect to individual Class members, which would establish incompatible standards of conduct for Defendants;

b. The prosecution of separate actions by individual Class members creates the risk of adjudication with respect to them, which would, as a practical matter, be dispositive of the interests of the other Class members not parties to the adjudications, or would substantially impair or impede their ability to protect their interests; and

c. Defendants have acted or have refused to act on grounds generally applicable to the class and/or the general public, thereby making final and injunctive relief, as well as declaratory relief, with respect to the Class as a whole, appropriate.

FIRST CAUSE OF ACTION

~~FAILURE TO PAY ALL OVERTIME AND DOUBLE TIME~~UNPAID WAGES

In Violation of Labor Code §§510, 1194, 1194.2, 1197 & Wage Order.

~~55.~~56. (Against all Defendants on Behalf of Plaintiffs and the Class)Plaintiffs reallege and

incorporate by reference Paragraphs 1 through 554 above as though fully set forth herein.

~~56.~~57. Labor Code §510 mandates: "Eight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee. Nothing in this section requires an employer to combine more than one rate of overtime compensation in order to calculate the amount to be paid to an employee for any hour of overtime work." The California overtime requirement and wage requirement are non-waivable rights pursuant to LC §219.

~~57.~~58. The Wage Orders mandates that employers pay one and one-half times the employees' regular rate of pay for employees who work more than eight hours in a day or forty hours in a week and two times their regular rate of pay for any work in excess of twelve hours in one day.

59. Labor Code §1194(a) states: "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 attorney's fees, and costs of suit."

60. Labor Code §1194.2 provides: "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."

~~58.~~61. Further, pursuant to Labor Code §1197, payment of less than the minimum wage fixed by the Labor Commission is unlawful.

62. Pursuant to Labor Code §§218 and 1194(a), Plaintiffs may bring a civil action for

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unpaid minimum, overtime and/or double time wages directly against the employer without first filing a claim with the Division of Labor Standards Enforcement ("DLSE") and may recover such wages, together with interest thereon, penalties, attorneys' fees and costs. Further, pursuant to Labor Code §1198, it is unlawful to employ person for longer than the hours set by the IWC or under conditions prohibited by the applicable IWC Wage Orders. Wage Order 1, as amended, applies to Plaintiffs.

~~59.~~63. Pursuant to the Labor Code and applicable Wage Order, Defendants are required to pay the members of the Class and Plaintiffs for all hours worked, meaning the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work, whether or not required to do so.

~~60.~~64. However, Defendants have failed and refused to pay Plaintiffs and the class members minimum wages for all hours worked and/or overtime and/or double time compensation for all overtime and double time hours worked in excess of eight (8) hours per day and forty (40) hours per week, or twelve (12) hours per day, as required by LC §§510, 1194, 1194.2, 1197 and the applicable Wage Orders. Plaintiffs are informed and believe~~s~~ and based thereon allege~~s~~ that the obligations and responsibilities of the class employees are irrelevant because Plaintiffs and all other similarly situated employees were subjected to Defendants' unlawful pay plans and its failure to pay minimum wages for all hours worked and/or overtime and/or double time based on the regular rate of pay for all overtime and/or double time hours worked by Plaintiffs and the class members.

65. Defendants, and each of them, consistently administered a corporate policy which required Plaintiffs and the Class members to work without compensation for all hours worked and/or overtime and/or double time without proper premium overtime and/or double time pay at the correct regular rate of pay. Accordingly, Plaintiffs and the Class members were and are entitled to all minimum, overtime and/or double time compensation, under California law, at the appropriate regular rate of pay.

66. Plaintiff Avalos is informed and believes and based thereon alleges that Defendants' common policies, practices, and/or procedures regarding rounding of hours worked

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resulted in compensable hours worked by Plaintiff Avalos and the Class members which were unpaid. Defendants have an unlawful rounding policy that disproportionately impacts hourly employees which results in lost wages for hourly employees for all hours worked.

67. During the relevant statutory time period, Defendants systematically, routinely, and willfully failed to pay Plaintiff Avalos and Class members regular, minimum wages, overtime and double time wages due to its illegal rounding policy and practice.

68. Plaintiffs are further informed and believe and based thereon allege that Defendants have failed to properly include items of remuneration when determining Plaintiffs' and the Class Members' regular rate, this includes but is not limited to the failure to include bonuses provided to Plaintiffs and the Class members.

~~61.~~69. Because Defendants required the members of the Class and Plaintiffs to remain under Defendants' control without paying therefore, this resulted in the members of the Class and Plaintiff earning less than the legal minimum wage and/or overtime and/or double time for all hours worked.

70. Plaintiffs and the class members have been deprived of rightfully earned minimum, overtime and/or double time compensation as a direct and proximate result of Defendants' common policies, practices, and refusal to pay the full amount of compensation earned for all minimum, overtime and/or double time hours worked.

~~62.~~71. Defendants' pattern, practice and uniform administration of the corporate policy regarding illegal employee compensation as described herein is unlawful and, pursuant to Labor Code §§ 218, 218.5, 510, 1194, 1194.2, 1197, Plaintiffs and the members of the Class are entitled to recover in a civil action the unpaid balance of the full amount of wages owing, calculated at the appropriate rate and liquidated damages for failure to pay the minimum wage.

~~63.~~72. Plaintiffs, and the class, are entitled to and seek the full amount of all earned unpaid minimum, overtime and/or double time pay based on the correct regular rate of pay, attorneys' fees and costs, and interest pursuant to LC §1194 in an amount to be determined at trial.

SECOND CAUSE OF ACTION

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FAILURE TO PROVIDE MEAL PERIODS

In Violation of Labor Code §§226.7, 512, & Wage Order

(Against all Defendants on Behalf of Plaintiffs and the Class)

~~64.~~73. Plaintiffs re-allege and incorporate by reference, as though fully set forth herein, paragraphs 1 through 5~~4~~ of this Complaint.

~~65.~~74. Labor Code §226.7 requires an employer to pay one additional hour of compensation, at the regular rate of pay, per day for each meal period the employer fails to provide pursuant to the Labor Code and/or applicable Wage Order. Plaintiffs allege that Defendants failed to provide legally compliant meal periods to Plaintiffs and the Class members; in addition to impeding, discouraging, and/or dissuading employees from taking legally compliant meal periods. Employees are entitled to a meal period of at least thirty (30) minutes per five (5) hours work period. Plaintiffs and the Class consistently worked over five (5) hour shifts without timely meal periods due to Defendants' policy of discouraging, dissuading and/or impeding Plaintiffs and the Class from taking timely meal periods. During the Class Period, Defendants had a policy and/or practice of scheduling meal periods after the fifth hour of work. Defendants further failed to obtain legally compliant meal period waivers for shifts lasting longer than 10 hours or on-duty meal period agreements. Pursuant to the Code, Plaintiffs and the Class were/are entitled to a meal period of not less than thirty (30) minutes prior to exceeding five (5) hours of employment and a second meal period for hours worked over ten (10) in a day.

~~66.~~75. Pursuant to Labor Code §512 and the applicable Wage Order, employees are entitled to a meal period of at least thirty (30) minutes per five (5) hour work period. Plaintiffs and the Class consistently worked over five (5) hour shifts without timely meal periods due to Defendants' policy of discouraging, dissuading and/or impeding Plaintiffs and the Class members from taking meal periods, including but not limited to scheduling meal periods after the fifth hour of work.

~~67.~~76. IWC Wage Order No. 1-2001 applies to Defendants and provides, in pertinent part, that if an employer fails to allow an employee to take meal periods in accordance with the applicable provisions of this Order, the employer shall pay the employee one hour of pay at the

employee's regular rate of compensation for each workday that the meal period was not provided.

~~68.~~77. During the relevant statutory time period, Defendants failed to authorize and permit timely, duty-free, uninterrupted meal breaks. Plaintiffs and Class members were routinely required to work longer than five hours without a meal break at the direction of Defendants and/or with Defendants' knowledge or acquiescence.

~~69.~~78. During the relevant statutory time period, Defendants failed to authorize and permit the requisite number of meal breaks. Plaintiffs and Class members were routinely required to work longer than ten (10) hours without the requisite number of timely, duty-free, uninterrupted meal breaks at the direction of Defendants and/or with Defendants' knowledge or acquiescence without exemption.

~~70.~~79. By its actions in requiring employees to work longer than five hours without meal periods and/or failing to provide Plaintiffs and the Class members the requisite number of meal periods for shifts lasting longer than ten hours without exemption, Defendants have violated California Labor Code §226.7 and §11 of IWC Wage Order No. 1-2001 and are liable to Plaintiffs and the Class.

~~71.~~80. Defendants further failed to provide, impeded and/or discouraged Plaintiffs and the other class members from taking timely and compliant meal breaks of not less than thirty (30) minutes as required by the Labor Code and IWC Wage Order No. 1-2001. During the Relevant time period Defendants failed to obtain legal waivers waiving the first or second meal period or providing for an on-duty meal period.

~~72.~~81. During the Relevant time period Defendants failed to pay meal period premiums at the regular rate of pay in violation of Labor Code §226.7 and the applicable wage order.

~~73.~~82. Pursuant to Labor Code §226.7, Plaintiffs and the Class are entitled to damages in an amount equal to one (1) hour of wages at the regular rate of pay per missed meal break per day, in a sum to be proven at trial.

~~74.~~83. Pursuant to Labor Code §218.6 and Civil Code §3287, Plaintiffs and the Class Members seek recovery of pre-judgment interest on all amounts recovered herein.

THIRD CAUSE OF ACTION

FAILURE TO PROVIDE REST PERIODS

In Violation of Labor Code §§226.7, *et seq.*, & Wage Order

(Against all Defendants on Behalf of Plaintiffs and the Class)

~~75.~~84. Plaintiffs incorporate by reference and re-alleges paragraphs 1 through 5~~4~~ as though fully set forth herein.

~~76.~~85. Labor Code §226.7(b) provides that "An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health."

~~77.~~86. Labor Code §516 provides that the Industrial Welfare Commission "may adopt or amend working condition orders with respect to break periods, meal periods, and days of rest for any workers in California consistent with the health and welfare of those workers."

~~78.~~87. The Wage Orders provide that every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted, as hours worked, for which there shall be no deduction from wages.

~~79.~~88. Labor Code §226.7(b) and Section 12 of the applicable Wage Order require an employer to pay one additional hour of compensation, at the regular rate of pay, per day for each rest period the employer failed to provide pursuant to the Labor Code and/or applicable Wage Order.

~~80.~~89. Plaintiffs and the Class members worked over four (4) hours per shift and/or over six (6) hours per shift.

~~81.~~90. Plaintiffs and the Class members were entitled to a non-captive, duty-free, paid rest period of not less than ten (10) minutes for every four hours worked or major fraction thereof, or premium pay remedy of one hours pay at the regular rate of pay for each day in lieu of the same.

82.91. During the relevant time period, Defendants failed to provide legally compliant non-duty free ten (10) minute paid rest periods to Plaintiffs and the Class members and/or Defendants failed to provide the requisite premium pay remedy for non-compliant and/or missed rest periods.

83.92. As such, as a matter of Defendants' established company policy, Defendants failed to authorize and permit all required paid rest periods established by Labor Code §§226.7 and 516 and Section 12 of the applicable Wage Order.

84.93. During the Relevant time period Defendants failed to pay rest period premiums at the regular rate of pay in violation of Labor Code §226.7 and the applicable wage order

85.94. As a result of the unlawful acts of Defendants, Plaintiffs and the Class members have been deprived of legally compliant paid rest breaks and are entitled to recover damages under Labor Code §226.7(b) and §12 of the applicable Wage Order in the amount of one additional hour of compensation at their regular rate of pay for each day a paid rest break was not provided.

86. Pursuant to Labor Code §218.6 and Civil Code §3287, Plaintiffs and the Class Members seek recovery of pre-judgment interest on all amounts recovered herein.

95.

FOURTH CAUSE OF ACTION

FAILURE TO PROVIDE ACCURATE WAGE STATEMENTS

Violation Of Labor Code §226

(Against all Defendants on Behalf of Plaintiffs and the Class)

87.96. Plaintiffs re-allege and incorporate by reference, as though fully set forth herein, paragraphs 1 through 554 of this Complaint.

88.97. California Labor Code §226 provides:

> (a) Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, (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, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer…, 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...

~~89.~~98. Labor Code §226(e) provides that an employee is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation of §226 occurs and one hundred dollars ($100) for each subsequent pay period not to exceed an aggregate penalty of four thousand dollars ($4,000), as well as an award of costs and reasonable attorneys' fees, for all pay periods in which the employer knowingly and intentionally failed to provide timely and accurate itemized statements to the employees showing the gross wages earned by each of them as well as the applicable hourly rates at the corresponding hours worked.

~~90.~~99. During the statutory time period, Defendants knowingly and intentionally failed to provide its non-exempt employees such as Plaintiffs, and all others similarly situated, with wage statements reflecting the hours actually worked, gross wages earned, net wages earned, the applicable hourly rates at the corresponding hours worked, and/or meal and/or rest period premium payments.

~~91.~~100. The class members suffered injury as a result of Defendants' knowing and intentional failure to provide Plaintiffs and Class members with accurate itemized wage statements during the relevant time period as the Class, including Plaintiffs, were owed but not paid overtime and/or double time compensation for all hours worked, and premium payments for meal and/or rest periods which were not reflected on the wage statements or not paid at the accurate regular rate of pay. Plaintiffs and the class suffered injury as a reasonable person could not promptly and easily determine from the wage statements alone the accurate amount of gross wages, the hours worked, or the net wages earned for the pay period and/or the applicable hourly rates at the corresponding hours worked.

~~92.~~101. Plaintiffs and the class seek penalties pursuant to Labor Code §226(e), in an amount to be determined at trial, and also seek costs and reasonable attorneys' fees pursuant to

Labor Code §226(e).

FIFTH CAUSE OF ACTION

UNFAIR COMPETITION

In Violation of Business and Professions Code §§17200, *et seq*.

(Against all Defendants on Behalf of Plaintiffs and the Class)

~~93.~~102. Plaintiffs and the class re-allege and incorporate by reference and re-allege each and every one of the allegations contained in ~~the preceding and foregoing paragraphs of~~ this Complaint as if fully set forth herein.

~~94.~~103. Beginning on an exact date unknown to Plaintiffs but believed to have occurred at least since four (4) years before the filing of this action, Defendants have engaged in a pattern and practice of acts of unfair competition in violation of B&PC §17200, including the practices alleged herein.

~~95.~~104. Defendants, and each of them, are "persons" as defined by Business and Professions Code §17201.

~~96.~~105. Plaintiffs seeks to enforce important rights affecting the public interest. Plaintiffs sue on their own behalf and on behalf of the current, former, and future employees of the Defendants that were denied full amounts of earned sick, minimum, double time and/or overtime pay, required to work shifts without legally compliant meal and/or rest breaks periods and as parties harmed by Defendants unfair business practices.

~~97.~~106. Plaintiffs and the Class have suffered injuries-in-fact and have lost money as a result of the Defendants' unfair competition alleged herein.

~~98.~~107. Defendants have previously or continue to engage in unlawful, unfair, and/or fraudulent business practices, as alleged in this Complaint, in violation of California's B&PC §17200 *et seq*. by:

a. Failing and refusing to pay the class, including Plaintiffs, earned minimum wages in violation of Labor Code §§ 1194, 1194.2, and 1197;

~~a.~~b. Failing and refusing to pay the class, including Plaintiffs, earned overtime and double time wages in violation of Labor Code §§510 and 1194; ~~and~~

~~b.~~c. Failing and refusing to provide the class, including Plaintiffs, with meal

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periods or premium payments at the regular rate of pay in lieu thereof in violation of Labor Code §§226.7, 512 and IWC Wage Order No. 1-2001;

d. Failing and refusing to provide the class, including Plaintiffs, with rest periods or premium payments at the regular rate of pay in lieu thereof in violation of Labor Code §§226.7, 512 and IWC Wage Order No. 1-2001;

~~c.~~e. Failing and refusing to provide the class, including Plaintiffs, with sick pay at the regular rate of pay in lieu thereof in violation of Labor Code §246 and IWC Wage Order No. 1-2001;

~~99.~~108. All of these allegations constitute unfair business practices and/or unlawful business practices in violation of California B&PC §17200, *et seq.*

~~100.~~109. Defendants have avoided payment of minimum wages, overtime wages, double time wages and other benefits as required by the California Labor Code, the California Code of Regulations and applicable IWC Wage Orders. As a result of Defendants' unfair business practices, Defendants have reaped unfair benefits and illegal profits at the expense of Plaintiffs, and others similarly situated, and the members of the public. Defendants should be made to disgorge their ill-gotten gains and to restore them to the Class, including Plaintiffs.

~~101.~~110. Plaintiffs and the putative class seek full restitution of said monies, as necessary and according to proof, to restore any and all monies withheld and/or acquired by Defendants by means of the unfair, unlawful, and fraudulent business practices complained of herein. Plaintiffs seek on behalf of all current and former employees of Defendants, restitution of monies retained by Defendants. Plaintiffs further seek, on behalf of themselves and the putative class, the appointment of a receiver, as necessary, to establish the total restitutionary relief from Defendants. The restitution includes all wages withheld by Defendants as a result of the unfair, unlawful, and/or fraudulent business practices; including interest thereon. Absent a statutory provision specifically governing the type of claim at issue, the prejudgment interest rate is 10 percent. The acts complained of herein occurred, at least in part, within the last four (4) years preceding the filing of the Complaint.

~~102.~~111. Plaintiffs are informed and believe and thereon allege that at all times herein mentioned, Defendants have engaged in unlawful, deceptive, and unfair business practices

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prohibited by California B&PC §17200, thereby depriving their employees and the putative class, the minimum working condition, standards and conditions due to them under the California labor laws and Industrial Welfare Commission wage orders as specifically described herein. Plaintiffs further seek an order requiring Defendants to identify by full name, telephone number, and last known address for all California non-exempt employees who worked or still work for Defendants from four (4) years preceding the filing of the original Complaint through the date of class certification. Plaintiffs further seek an order requiring Defendants to timely pay restitution to all current and former employees, including back wages, and interest.

~~103.~~112. By and through its unfair, unlawful, and/or fraudulent business practices and acts described herein, Defendants have obtained valuable services from Plaintiffs and all persons similarly situated and has deprived Plaintiffs and all persons similarly situated of valuable rights and benefits guaranteed by law, all to their detriment.

~~104.~~113. Plaintiffs, and all persons similarly situated, and all persons in interest, are entitled to and do seek such relief as may be necessary to restore to them the money and property which Defendants have acquired, or of which Plaintiffs and Class members have been deprived by mean of the herein described unfair, unlawful, and/or fraudulent business practices.

~~105.~~114. Plaintiffs, and all persons similarly situated, and all persons in interest, are further entitled to and do seek a declaration that the above described business practices are unfair, unlawful, and/or fraudulent, and declaratory relief of Defendants engaging in any of the herein described unfair, unlawful, and/or fraudulent business practices.

~~106.~~115. Plaintiffs and the Class request attorney's fees and costs pursuant to Code of Civil Procedure §1021.5 since this action is brought to vindicate important rights of a large class and the public.

SIXTH CAUSE OF ACTION

PRIVATE ATTORNEYS GENERAL ACT

Violation of Labor Code §§2699, *et seq*.

(Against all Defendants)

~~107.~~116. Plaintiff Luis Sedano ("Plaintiff Sedano") on behalf of himself and on behalf of all other aggrieved employees herein re-alleges and incorporates each and every one of

the allegations contained in the preceding paragraphs as if fully set forth herein.

~~108.~~117. Labor Code §§2698-2699, the Labor Code Private Attorney General Act of 2004, provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency (LWDA), or any of its departments, divisions, commissions, boards, agencies or employees for a violation of the Labor Code, may be recovered through a civil action by an aggrieved employee on behalf of himself or herself, and collectively on behalf of all other current or former employees.

~~109.~~118. Whenever the LWDA, or any of its departments, divisions, commissions, boards, agencies or employees, has discretion to assess a civil penalty, a court in a civil action is authorized to exercise the same discretion, subject to the same limitations and conditions to assess a civil penalty.

~~110.~~119. Plaintiff Sedano and all other current and former non-exempt production employees of Defendants who provided production services, in the state of California, are "aggrieved employees" as defined by Labor Code §2699, in that they are all current or former employees of Defendants, and one or more of the alleged violations was committed against them.

~~111.~~120. Plaintiff Sedano gave written notice electronically to the LWDA, and by certified mail to Defendants, of the specific provisions of this code alleged to have been violated, including the facts and theories to support the alleged violations as required by Labor Code §2699.3. More than 65 days has lapsed since notice to the LWDA and the LWDA has not indicated that it intends to investigate Defendants' Labor Code violations. Accordingly, Plaintiff Sedano may commence a civil action to recover civil penalties for ~~herself~~ himself and other current and former employees under Labor Code §2699 pursuant to §2699.3.

~~112.~~121. Plaintiff Sedano asserts all of the claims in this Complaint against Defendants, individually and on behalf of all aggrieved employees in his capacity as private attorney general and seeks all applicable civil penalties available under the Labor Code.

~~113.~~122. Pursuant to Labor Code §2699, Plaintiff Sedano, individually and on behalf of all aggrieved employees, requests and seeks to recover from the Defendants; unpaid overtime and double time wages, rest period premiums, meal period premiums, and wage statement violations and penalties according to proof. Plaintiff Sedano is further entitled to attorneys' fees

and costs pursuant to Labor Code §2699(g)(1), as well as all civil penalties, including, but not limited to:

a. Penalties under Code of Regulations, Title 8 §11090 in the amount of $50 for each aggrieved employee per pay period for the initial violation, and $200 for each aggrieved employee per pay period for each subsequent violation;

b. Penalties under Labor Code §558, in addition to and entirely independent and apart from other penalties provided under the Labor Code, in the amount of $50 for each underpaid aggrieved employee for each pay period the aggrieved employee was underpaid in addition to an amount sufficient to recover underpaid wages, and $100 for each subsequent violation for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages, with all wages recovered pursuant to Labor Code §558 provided to the affected employees;

c. Penalties under Labor Code §1197.1, in addition to and entirely independent and apart from other penalties provided in the Labor Code, at $100 for each underpaid employee for each pay period for the initial offense and $200 for each subsequent offense; and

d. Penalties under Labor Code §2699(f), in addition to and entirely independent and apart from other penalties provided in the Labor Code and for Labor Code violations without a specific civil penalty, in the amount of $100 for each aggrieved employee per pay period for each violation, and $200 for each aggrieved employee per pay period for each subsequent violation;

~~114.~~123. Any and all additional civil penalties and sums as provided by the Labor Code and/or other statutes.

~~115.~~124. Plaintiff Sedano seeks and is entitled to have 75% of all penalties obtained be allocated to the LWDA and 25% to aggrieved employees.

~~116.~~125. Further, Plaintiff Sedano is entitled to seek and recover reasonable attorney's fees and costs pursuant to Labor Code §§2699(g)(1).

SEVENTH CAUSE OF ACTION

FAILURE TO PAY ALL WAGES DUE AT SEPARATION

Violation of Labor Code §§201, 203

(Against all Defendants)

~~117.~~126. Plaintiff Jonathan Avalos ("Plaintiff Avalos") re-alleges and incorporates by reference, as though fully set forth herein, paragraphs 1 through 554 of this Complaint.

~~118.~~127. Plaintiff Avalos and the Class members whose employment ended with Defendants during the relevant time period were entitled to be promptly paid all earned and unpaid wages at the time of termination, as required pursuant to Labor Code §§201 and 202, *et seq*. Defendants refused and/or intentionally failed to promptly compensate Plaintiff Avalos and the other Class members all earned minimum, overtime and double time wages, meal and rest period premium pay. Based on this, Plaintiff Avalos and the Class members seek and are entitled to damages in the form of statutory waiting time penalties pursuant to LC §203.

~~119.~~128. Plaintiff Avalos and the Class members whose employment terminated during the relevant time period were employees of Defendants covered by Labor Code §203.

129. Accordingly, pursuant to Labor Code §203, Plaintiff Avalos and the Class members are entitled to waiting time penalties at an amount to be proven at trial.

EIGHTH CAUSE OF ACTION

FAILURE TO PAY ALL ACCRUED SICK PAY

Violation of Labor Code § 246

(Against all Defendants on behalf of Plaintiffs and the Class)

130. Plaintiffs and the class re-allege and incorporate by reference and re-allege each and every one of the allegations contained in the preceding and foregoing paragraphs of this Complaint as if fully set forth herein.

131. Labor Code §246 requires the employer to pay sick time pay to non-exempt employees at the regular rate of pay.

132. Defendants failed to pay Plaintiffs and Class Members their entitled sick time wages at the regular rate of pay, including by failing to include all non-discretionary bonuses and/or other additional remuneration in the regular rate of pay calculation. As a result, Defendants are liable to Plaintiffs and Class Members for sick time wages, plus reasonable attorney's fees and

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costs of suit.

~~120.~~133. The exact amount of the applicable damages is an amount to be shown according to proof at trial, and are entitled to recover all damages, penalties and other remedies available for such violations.

PRAYER FOR RELIEF

Plaintiffs and the Class members pray for judgment as follows:

1. An order that the action be certified as a class action;
2. An order that Plaintiffs be appointed class representative;
3. An order that counsel for Plaintiffs be appointed class counsel;
4. An order requiring Defendants to identify, by name, address and telephone number each person who worked as a California hourly non-exempt employee who provided production services for the period of four (4) years preceding the filing of the initial complaint through the date of class certification;
5. For all unpaid wages due to Plaintiffs and each Class member and liquidated damages, in amounts to be proven at trial;
6. For all unpaid overtime and double time wages due Plaintiffs and each Class member;
7. For the full amount of unpaid minimum wages and liquidated damages due Plaintiffs and each Class member pursuant to Labor Code §§ 1194 and 1194.2 and the Wage Order;
8. For restitution of all unpaid wages due Plaintiffs and each Class member;
9. For all applicable statutory penalties, in amounts to be proven at trial;
10. For all applicable civil penalties, in amounts to be proven at trial;
11. For an award of statutory penalties pursuant to section 226(e) of the California Labor Code, in amounts to be proven at trial;
12. For general damages including compensatory damages according to proof;
13. For pre-judgment interest as allowed by Labor Code §§218.6 and 1194(a) as well as Cal. Civil Code §3287 and to the extent permitted by law, the California Constitution, and/or deemed equitable by the Court;
14. For all applicable interest on damages, wages, expenses, and penalties due;

15. For injunctive relief to prevent further violations of the California Labor Code;

16. For declaratory relief that Defendants engaged in unfair practices;

17. For declaratory relief that Defendants violated Labor Code §§ 201-203, 226, 226.7, 246 510, 512, 1194, ~~and~~ 1194.2, and 1197;

18. For restitution of all moneys due to Plaintiffs and Class members, and disgorged profits from the unlawful and/or unfair business practices of Defendants, pursuant to California Business & Professions Code §17200;

19. For costs of suit, expenses and attorneys' fees pursuant to Labor Code §226(e) and (h), 218.5, 1194(a), and Code of Civil Procedure §1021.5, *et seq*., and all other applicable law;

20. For one (1) hour of pay at each of the employees' regular rate of compensation for each workday that a legally compliant meal break was not provided, impeded, discouraged, and/or dissuaded;

21. For one (1) hour of pay at each of the employees' regular rate of compensation for each workday that a legally compliant rest break was not provided, impeded, discouraged, and/or dissuaded;

22. For an award of waiting time penalties pursuant to Labor Code § 203, in amounts to be proven at trial;

23. On behalf of Plaintiff Sedano and all other aggrieved employees and the LWDA, for all civil penalties authorized by LC §2699, including but not limited to:

a) For civil penalties pursuant to LC §558 as follows:

i. For any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages;

ii. For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages;

iii. For any and all unpaid wages that shall be paid to the affected employees;

d) For civil penalties per Code of Regulations, Title 8 §11090 in the amount of $50

for each aggrieved employee per pay period for the initial violation, and $200 for each aggrieved employee per pay period for each subsequent violation;

e) For civil penalties per Labor Code §1197.1, in the amount of:

i. $100 for each underpaid employee for each initial pay period for which the employee was intentionally underpaid;

ii. $200 for each underpaid employee for each subsequent pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed; and

iii. Any and all wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203, recovered pursuant to Labor Code §1197.1 to be paid to the affected employee;

24. For civil penalties under LC §2699(f), in addition to and entirely independent and apart from other penalties provided in the Labor Code and for Labor Code violations without a specific civil penalty, in the amount of $100 for each aggrieved employee per pay period for each violation, and $200 for each aggrieved employee per pay period for each subsequent violation, and;

25. For all such other and further relief that the Court may deem just and proper.

Date: **THE MYERS LAW GROUP, A.P.C.**

_____

David P. Myers,
Jason Hatcher,
Cassandra A. Castro,
Andriana N. Bravo,
Attorneys for Plaintiffs and others similarly situated

Exhibit C

9327 Fairway View Place, Suite 100
Rancho Cucamonga, CA 91730
Tel: 909-919-2027
Fax: 888-375-2102
www.myerslawgroup.com

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THE MYERS LAW GROUP
A PROFESSIONAL CORPORATION

_____, 2026

VIA ONLINE FILING

Labor & Workforce Development Agency
Website: https://dir.tfaforms.net/116

VIA EMAIL

New-Indy Ontario LLC;
New-Indy Oxnard LLC;
New-Indy Containerboard LLC;
New-Indy Containerboard Hold Co LLC
In care of:
Alexander M. Chemers, Esq.
alexander.chemers@ogletree.com
Kristin N. Kovacich, Esq.
kristin.kovacich@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071
Telephone: 213-239-9800
Facsimile: 213-239-9045

Re: *Luis Sedano v. New-Indy Ontario LLC, et al.*

AMENDED NOTICE PURSUANT TO LABOR CODE SECTION 2699.3, *et seq.*; VIOLATIONS OF LABOR CODE SECTIONS 200, 201, 202 *et seq.*, 203, 226, 226.7, 510, 1194, 1194.2, 1197, 246 BY NEW-INDY ONTARIO LLC, NEW-INDY OXNARD LLC, NEW-INDY CONTAINERBOARD LLC, NEW-INDY CONTAINERBOARD HOLD CO LLC

To: California Labor and Workforce Development Agency; New-Indy Ontario LLC; New-Indy Oxnard LLC; New-Indy Containerboard LLC; New-Indy Containerboard Hold Co LLC

From: Luis Sedano on behalf himself and all aggrieved employees (as defined below) who were subject to the employer's unlawful wage and hour policies set forth below

This Amended PAGA Notice to the July 21, 2022 PAGA Notice for Case Number: LWDA-CM-896865-22 is intended to comply with the requirements of California Labor Code Private Attorneys General Act of 2004 (PAGA), California Labor Code §§2698, *et seq.*, including section 2699.3 with respect to notice of violations of the Labor Code by New-Indy Ontario LLC, New-Indy Oxnard LLC, New-Indy Containerboard LLC, New-Indy Containerboard Hold Co LLC (collectively "Respondents").

Subsequent to the Labor & Workforce Development Agency ("LWDA") not proceeding against Respondents, following Luis Sedano's ("Claimant") notice to the LWDA on July 21, 2022, (assigned LWDA case no.: LWDA-CM-896865-22), Claimant has filed an amended complaint to add a PAGA cause of action on his behalf and all other "aggrieved employees" against respondents, seeking civil penalties, costs, and attorney fees under PAGA for the violations contained in the July 21, 2022 PAGA Notice, at San Bernardino Superior Court Case No. CIVSB2216238.

Please note that this firm represents the interests of Luis Sedano and all other aggrieved employees of Respondents who are/were non-exempt hourly production employees in the state of California who provide and/or who provided production services in California.

Claimant alleges that all hourly non-exempt production employees were subject to the same wage and hour policies, and accordingly seeks to represent all aggrieved employees at all of Respondents' Ontario and/or Oxnard facilities in California.

Claimant is informed and believes and thereon alleges that Respondents failed to properly compensate him and the aggrieved employees the proper amount of overtime and/or double time wages as a result of, but not limited to, failing to pay overtime and/or double time at the correct regular rate of pay as a result of not including all remuneration in the regular rate of pay calculation, including but not limited to bonus payments. Claimant further alleges that Respondents fail to provide legally compliant meal periods and/or second meal periods without exemption. Claimant further alleges that Respondents fail to provide compliant rest periods. Claimant further contends that Respondents failed to provide accurate itemized wage statements that have caused injury to Claimant and the aggrieved employees. Claimant contends Respondent's failures outlined above have resulted in a failure to pay all wages due at the time of separation for former employees of Respondents. Claimant alleges that Respondents violated Labor Code §§200, *et seq.*, 203, 218, 218.5, 226, 226.7, 510, 512, 1194, 1194.2, 1197, and 246 in addition to claims under the Business and Professions Code §17200, *et seq.* 203, 218, 218.5, 226, 226.7, 510, 512, 1194, 1194.2, 1197, and 246 in addition to claims under the Business and Professions Code §17200, *et seq.* Claimant further alleges that Respondents violated IWC Wage Order No. 1-2001 ("WO 1-01").

Claimant alleges that he and the other aggrieved employees regularly worked more than eight (8) hours in a day or forty (40) hours per workweek for Respondents without receiving their full amount of earned minimum wages, including but not limited to overtime and double time wages, and are entitled to payment of these unpaid wages. Claimant further alleges that although Respondents have records of the time worked by their aggrieved employees, they failed to pay the aggrieved employees at a rate no less one-and-one-half times their regular rate of pay for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week, or at a rate of twice the regular rate of pay for work in excess of twelve hours in one day. Pursuant to Labor Code §§510, 1194, 1194.2, 1197 and the WO 1-01, Claimant and the aggrieved employees are entitled to these unpaid wages and penalties.

Claimant is informed, believes, and thereon alleges that Respondents failed to provide accurate wage statements to Claimant and the other aggrieved employees, including failing to provide information as to the hourly rate for all hours worked, the net wages earned, and/or the gross wages earned per pay period or meal and/or rest period premium payments in violation of Labor Code §226. Claimant and the aggrieved employees are entitled to the greater of statutory penalties or actual damages because of this pursuant to Labor Code §226(e).

Further, Claimant alleges that Respondents failed to provide compliant meal periods to Claimant and the aggrieved employees in violation of Labor Code §§512 and 226.7. The aggrieved employees are non-exempt hourly employees whose work schedules and required tasks did not contain or provide for timely, uninterrupted, duty-free thirty (30) minute meal periods prior to the fifth hour of work when shifts lasted longer than six hours. Further, Claimant alleges that Respondent failed to provide timely, and compliant, first and second meal periods when shifts lasted longer than ten hours without exemption. Moreover, Claimant is informed, believes and alleges that Respondent has and does not provide the aggrieved employees with one addition hour of premium pay for each workday that Respondent failed to provide a complaint meal period. Respondents failed to provide meal period premium payments at the correct regular rate of pay.

Claimant is informed and believes and thereon alleges that Respondents failed to provide him and the aggrieved employees the requisite number of non-captive, off-duty paid rest periods in shifts of four (4) hours or greater, such that Respondents did not provide her and other aggrieved employees a non-captive, off duty ten (10) minute paid rest periods for every four (4) hours of work, or major fraction thereof, without exemption. Claimant further alleges that Respondents failed to provide compliant paid, non-captive, ten (10) minute rest periods to him and the aggrieved employees in violation of Labor Code §§512 and 226.7 and WO 1-01. Respondents failed to provide timely non-captive, off duty, uninterrupted paid rest periods for every four (4) hours, or major fraction thereof, by failing to provide scheduled relief for Claimant and the aggrieved employees to take rest periods. Claimant and the aggrieved employees were not provided non-captive duty-free paid ten (10) minute rest periods for every four (4) hours worked or major fraction thereof. Respondents failed to provide rest period premium payments at the correct regular rate of pay.

Moreover, Claimant is informed, believes and alleges that Respondents violated Labor Code §§201 and 202, *et seq.* by failing to pay all earned wages for all hours worked, including but not limited to minimum wages, double time and/or overtime wages for time worked and/or meal and/or rest period premiums, timely in relation to the termination of aggrieved employees. As a result, each aggrieved employee who is no longer employed with Respondents was not paid all earned wages at the time of separation and is entitled to waiting time penalties pursuant to Labor Code §203.

Additionally, Claimant alleges that Respondents were required to pay sick time pay to Claimant and the aggrieved employees at the regular rate of pay. Claimant alleged Respondents failed to pay Claimant and the aggrieved employees their entitled sick time wages at the correct regular rate of pay due to Respondents' failure to include non-discretionary bonuses in the regular rate of pay calculation, and as a result, are liable to Claimant and the aggrieved employees for sick time wages, pursuant to Labor Code § 246.

Please advise if the LWDA has any objection to our client amending his existing PAGA cause of action seeking any and all appropriate civil penalties for the underlying factual allegations and Labor Code violations, pursuant to Labor Code §2699, *et seq.*

We look forward to your response. Please feel free to contact our office if you have any comments or questions.

Very truly yours,
THE MYERS LAW GROUP, A.P.C.

_____
Attorneys for Claimant and the aggrieved employees