SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

ALEJANDRO MEDINA, individually, and on behalf of all others similarly situated, Plaintiff, vs. JOHN LENORE & CO., a California corporation; and DOES 1 through 10, inclusive, Defendants	Case No.: 25CU018111C **PAGA SETTLEMENT AGREEMENT** Complaint Filed: April 1, 2025 Trial Date: None Set

This Private Attorneys General Act ("PAGA") Settlement Agreement and Release of Claims is entered into by and between Plaintiffs Alejandro Medina and Jose Antonio Camaro Osuna ("Plaintiffs") and Defendant John Lenore & Company ("Defendant") and is approved by their respective counsels of record, subject to the terms and conditions hereof and the Court's approval.

A. Definitions

As used herein, for the purposes of this Settlement Agreement only, the following terms shall be defined as set forth below:

1. "Action" means and refers to the case entitled *Alejandro Medina v. John Lenore & Co.,* pending in San Diego County Superior Court, Case No. 25CU018111C**.**

2. "Aggrieved Employee" consists of all persons currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, joint venture, or professional employer organization, as hourly-paid or non-exempt employees in the State of California during the PAGA Period.

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

4. "Approval" refers to the order of the Court granting approval of this Settlement Agreement and entering a judgment approving this Settlement Agreement on substantially the terms provided herein or as the same may be modified by subsequent written agreement of the Parties.

5. "Attorneys' Costs" or "Litigation Costs" means the amount to be reimbursed to PAGA Counsel for their litigation costs and expenses incurred to prosecute the Action. Attorneys' Costs shall not exceed $36,000.

6. "Attorneys' Fees" means the amount to be awarded to PAGA Counsel for the work they have performed in furtherance of the Action. Attorneys' Fees shall not exceed $90,000.00, which represents one-third of the Gross Settlement Amount.

7. "Operative Complaint" refers to any complaint filed by Plaintiffs in the Action, including the operative Second Amended Complaint in the Action.

8. "Court" or "Judge" means the Superior Court of California, County of San Diego.

9. "Defendant" means the defendant in the Action, John Lenore & Company.

10. "Defense Counsel" means Gordon Rees Scully Mansukhani, LLP, the attorneys representing Defendant in the Action.

11. "Effective Date" shall mean the following: (a) the date the Court enters an Order approving the Settlement if no objections are asserted and no individual seeks to intervene in the matter; or (b) 65 days after the date of entry of the Order of the court approving the Settlement if any objections are asserted or any individual seeks to intervene in the matter but no appeal is filed; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the settlement approval order is no longer subject to further judicial review.

12. "Gross Settlement Amount" means $270,000.00, which is the maximum total amount Defendant agrees to pay under the Settlement except as provided in Paragraph D(1) below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the Labor Workforce Development Agency ("LWDA") PAGA Payment, Attorneys' Fees, Attorneys' Costs, and the Settlement Administration Costs.

13. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of the 35% of the Net Settlement Amount calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

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

15. "LWDA" means the California Labor and Workforce Development Agency.

16. "LWDA PAGA Payment" means the 65% of the Net Settlement Amount paid to the Labor and Workforce Development Agency's ("LWDA") under Labor Code section 2699, subd. (i). The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

17. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Attorneys' Fees, Attorneys' Costs, and the Settlement

Administration Costs. The remainder is the total amount of PAGA civil penalties to be paid under the Settlement, which will be allocated 65% to the LWDA and 35% to the Aggrieved Employees in settlement of PAGA claims. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

18. "PAGA" means the California Private Attorneys General Act of 2004, California Labor Code §§ 2698 et seq.

19. "PAGA Counsel" refers to Moon Law Group, PC.

20. "PAGA Notice" means Plaintiffs' March 15, 2025 and August 21, 2025 letters to Defendant and the LWDA providing notice of alleged Labor Code violations pursuant to Labor Code § 2699.3(a), attached hereto as **Exhibit A**, and fully incorporated herein by reference.

21. "PAGA Penalties" means the total amount of civil penalties that the Parties have agreed will be paid from the Gross Settlement Amount to settle the PAGA Claims, allocated 65% of the Net Settlement Amount to the LWDA in accordance with PAGA, and 35% of the Net Settlement Amount for the individual PAGA payments to Aggrieved Employees. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

22. "PAGA Period" shall run from August 21, 2024, to March 6, 2026.

23. "Parties" mean Plaintiffs and Defendant, collectively.

24. "Pay Period" means any pay period during which an Aggrieved Employee was employed by Defendant for at least one day during the PAGA Period.

25. "Plaintiffs" means and refers to the named plaintiffs in the Action and the PAGA class representatives, Alejandro Medina and Jose Antonio Camaro Osuna.

26. "QSF" means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Aggrieved Employees, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Sec. 468.

27. "Release" shall mean the release and discharge of the PAGA Released Claims by Plaintiffs, the State of California, and all of the Aggrieved Employees. The res judicata effect of the judgment will be the same as that of the Release of the PAGA Released Claims.

28. "Released Claims" means the claims being released by Plaintiffs and Aggrieved

Employees, including the PAGA claims that Plaintiffs alleged or could have alleged against the Released Parties, on behalf of the Aggrieved Employees and the State of California, based on the facts stated in the Second Amended Complaint and in the LWDA PAGA Notice letters, or that could have been asserted based on those facts, including but not limited to all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to permit rest breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; (8) unfair business practices; and for any other (9) civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq.

29. "Released Parties" means Defendant, and any predecessor, successor, subsidiary, parent, affiliated or related entity, and each of their owners, managerial employees, agents, directors, and/or officers.

30. "Settlement" means the disposition of the Action effected by this Settlement Agreement and the Judgment.

31. "Settlement Administrator" means and refers to Phoenix Class Action Administration Solutions ("Phoenix"), third-party class action settlement administrator agreed to by the Parties, that will provide the Notice to the Aggrieved Employees of the Settlement and distribute the settlement amounts as described in this Settlement Agreement.

32. "Settlement Administration Costs" means the amount the Settlement Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in administering the Settlement in accordance with this Agreement.

33. "Settlement Agreement" means this PAGA Settlement Agreement and Release of Claims.

34. "Settlement Data" mean a complete list that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator on spreadsheets and shall include the PAGA Members' full names; last known addresses; Social Security Numbers; and either the total Pay Periods Worked during the PAGA Period for each Aggrieved Employee, or the start and end date of employment for each Aggrieved Employee.

B. Recitals

1. Pursuant to Labor Code section 2699.3(a), Plaintiffs timely gave written notice to Defendant and the LWDA by sending a LWDA notice letters on March 15, 2025 and August 21, 2025 ("PAGA Notice") alleging Defendant violated Labor Code sections 201, 202, 203, 204, 226, 226.7, 512, 1194, 1194.2, 1197, 1198, 2699, 2802, and Business & Professions Code section 17200 et seq.

2. On April 1, 2025, Plaintiff Medina commenced this Action by filing a Complaint alleging the following causes of action against Defendant: (1) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code § 226.7, 512]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; (6) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201- 203]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (8) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]. On May 20, 2025, Plaintiff Medina filed a First Amended Complaint, alleging additional cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.].

3. On October 1, 2025, Plaintiff Osuna commenced a related action pending in San Diego Superior Court, Case No. 25CU052914C, by filing a Complaint alleging the following causes of action against Defendant: (1) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code § 226.7, 512]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; (6) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201- 203]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (8) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]. On October 28, 2025, Plaintiff Osuna filed a First Amended Complaint, alleging additional cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, et seq.].

4. On January 5, 2026, Plaintiffs and Defendant participated in mediation before Steven Rottman, a well-respected wage and hour mediator. The Parties reached a PAGA settlement to resolve

both matters. For purposes of the Settlement, Plaintiff Medina will file a Second Amended Complaint ("Operative Complaint") in this Action to add Plaintiff Osuna so that approval may be sought in this Action.

5. Prior to mediation and negotiating the Settlement, Plaintiffs obtained through informal discovery the time and payroll records for the Aggrieved Employees, the number of Pay Periods and Aggrieved Employees in the PAGA Period, relevant excerpts of Defendant's employment policies and handbook, and other relevant documents. Plaintiffs retained an expert to analyze the records produced by Defendant.

6. The Parties agree that neither the Parties' Settlement, this Settlement Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and this Settlement Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.

C. Terms of Settlement

1. Financial Terms. The financial terms of the Settlement are as follows:

(a) Gross Settlement Amount: The Parties agree to settle this Action for Two Hundred Seventy Thousand Dollars and Zero Cents ($270,000.00.00) ("the Gross Settlement Amount"). The Gross Settlement Amount is the maximum amount that Defendant will pay and includes: (1) PAGA Counsel's fees; (2) PAGA Counsel's costs; (3) Settlement Administration expenses and fees; (4) the PAGA payment to the LWDA; and (5) payments to the Aggrieved Employees.

(b) Net Settlement Amount: The "Net Settlement Amount" is defined as the Gross Settlement Amount less: (1) PAGA Counsel's fees; (2) PAGA Counsel's costs; (3) Settlement Administration expenses; and (4) Settlement Administration fees. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

2. Payments from the Gross Settlement Amount. The Settlement Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

(a) To PAGA Counsel: Defendant agrees to not oppose a request by PAGA

Counsel to the Court for an award of attorneys' fees of not more than one third (1/3) of the Gross Settlement Amount, estimated to be $90,000.00, plus reasonable litigation costs not to exceed $36,000 ("Attorneys' Fees and Cost Award"), subject to Court approval. The Attorneys' Fees and Cost Award shall be paid from the Gross Settlement Amount, and Defendant shall have no further obligation to pay any attorneys' fees, costs, or expenses to PAGA Counsel. Should the Court approve a lesser amount than that sought by PAGA Counsel, the difference shall be added to the Net Settlement Amount to be distributed to Aggrieved Employees. The Parties agree that any amount awarded as attorneys' fees and costs to PAGA Counsel less than the requested amount shall not be a basis for PAGA Counsel to rescind or otherwise void this Settlement Agreement. The Settlement Administrator shall issue to PAGA Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs awarded by the Court, as well as any other IRS tax form required by law. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

(b) To the Settlement Administrator: Settlement Administration Costs not to exceed $6,000.00 except for a showing of good cause and as approved by the Court. To the extent the Settlement Administration Costs are less than $6,000.00 or the Court approves payment of less than $6,000.00, the indifference shall be added to the Net Settlement Amount. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

(c) To the LWDA and Aggrieved Employees: The Net Settlement Amount will be distributed amongst Aggrieved Employees and the LWDA, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

i. The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of the Net Settlement Amount by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments. The Net Settlement Amount shall be allocated 65% to the LWDA and 35% to Aggrieved Employees, all as penalties.

ii. All payments to Aggrieved Employees under this Settlement shall be characterized as non-wage penalties, and the Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3. Tax Liability: PAGA Counsel, Defendant, and Defense Counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiffs and the Aggrieved Employees are not relying on any statement or representation by PAGA Counsel, Defendant, or Defense Counsel in this regard. Plaintiffs and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective Settlement amounts and payments described herein. IRS Forms 1099 will be distributed at the times and in the manner required by the Internal Revenue Code of 1986 ("Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Settlement Agreement, the processes set forth in this section of this Settlement Agreement may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiffs and Aggrieved Employees understand and agree that they will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

4. CIRCULAR 230 DISCLAIMER: EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN

CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

5. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no circumstances will any portion of the Gross Settlement Amount revert to Defendant. Aggrieved Employees will not have to make a claim in order to receive their share of PAGA Penalties. Distributions, in the form of Individual Settlement Payments, will be made directly to each Aggrieved Employee. The Settlement Administrator shall be responsible for accurately and timely reporting and remittance obligations with respect to unclaimed funds as a result of an Aggrieved Employee not cashing an Individual Settlement Payment by the check cashing deadline, as set forth herein.

D. Settlement Administration and Funding

1. Escalator Clause: Defendant estimates approximately 3,000 pay periods. If pay periods exceed 3,300 (10%), Defendant may either increase the Gross Settlement Amount proportionally or shorten the PAGA Period. This election must be made prior to the PAGA approval hearing.

2. Appointment of Settlement Administrator. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Payments, drafting and mailing

the settlement checks to Aggrieved Employees, issuing 1099 Tax Forms, performing unclaimed funds due diligence, reporting and performing remittance obligations, and performing such other tasks as set forth herein, including preparing a report and accounting of the Settlement after distribution, or as the Parties mutually agree or that the Court orders. The Settlement Administrator shall also be responsible for issuing to Plaintiffs, Aggrieved Employees, and PAGA Counsel any 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

3. Aggrieved Employee Data. Within fifteen (15) business days of the later of the Effective Date or the date the Settlement Administrator provides Defendant with instructions for securely transferring the Aggrieved Employee Data to the Settlement Administrator, Defendant will deliver the Aggrieved Employee Data to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet. The Settlement Administrator will run a check of the PAGA Members' addresses against those on file with the U.S. Postal Service's National Change of Address Database. To protect Aggrieved Employees' privacy rights, the Settlement Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to the Settlement Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted Aggrieved Employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data. PAGA Counsel agrees that it shall not view the Aggrieved Employee Data, and that if it obtains the Aggrieved Employee Data, it will immediately delete the data and inform the Settlement Administrator and Defense Counsel of the disclosure and the steps it took to delete the Aggrieved Employee Data. The Parties agree that PAGA Counsel may communicate with the Settlement

Administrator to confirm the number of Aggrieved Employees and total pay periods in the PAGA Period. Although PAGA Counsel will not be provided with the list of PAGA Data, nothing herein shall prevent PAGA Counsel from communicating with Aggrieved Employees regarding the Action and settlement.

4. Notice. The Notice, a draft of which is attached hereto as **Exhibit B** and fully incorporated herein by reference, shall be sent by the Settlement Administrator after it is approved by the Court to the Aggrieved Employees, by first class mail, in English, within ten (10) calendar days following the Settlement Administrator's receipt of the PAGA Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Aggrieved Employees if any envelopes are returned.

5. Returned Notices of Settlement. The Settlement Administrator will take steps to ensure that the Notice is received by all Aggrieved Employees, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices of Settlement will be re-mailed to any Aggrieved Employee for whom an updated address is located within ten (10) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address.

6. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for the Parties, at least twenty (20) calendar days prior to the compliance hearing for the Settlement with the Court, a declaration of due diligence and proof of mailing with regard to the mailing of the Notices of Settlement.

7. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Settlement Administrator no later than twenty-one (21) calendar days after the later of the Effective Date. Once Defendant has complied with its obligation set forth in this paragraph, it shall be deemed to have satisfied all of the terms and conditions of this Settlement Agreement, shall be entitled to all the protections afforded it under this Settlement Agreement, and shall have no further obligations under this Settlement Agreement, regardless of what occurs with respect to the further administration of the Settlement. The Settlement Administrator (and not Defendant) shall issue the applicable IRS Form 1099, or any other required tax forms, reflecting

all payments to the Aggrieved Employees.

8. Distribution of Funds. No later than ten (10) calendar days after Defendant funds the Gross Settlement Amount, the Settlement Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Attorneys' Fees, and Litigation Costs.

9. Deadline for Cashing Settlement Checks. Aggrieved Employees shall have one hundred eighty (180) calendar days after mailing by the Settlement Administrator to cash each settlement check. If any Aggrieved Employee's check is not cashed within that period, the check will be void and a stop-payment will be issued, and the Settlement Administrator shall issue the unclaimed funds to the California State Controller's Office in the name of the Aggrieved Employee. The Release will be binding upon all Aggrieved Employees who do not cash their checks within the one hundred eighty (180) calendar days period. In the event that any settlement check is returned to the Settlement Administrator within one hundred eighty (180) calendar days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the individual, and notify Defense Counsel and PAGA Counsel of the results. If a new address is located by these means, the Administrator will have ten (10) business days to re-issue the check. Neither Defendant, Defense Counsel, PAGA Counsel, Plaintiffs, nor the Settlement Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event an Aggrieved Employee notifies the Settlement Administrator that he or she believes that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Settlement Administrator will issue a replacement check.

10. Notice of Judgment. The Settlement Administrator shall give the Aggrieved Employees notice of the entry of Judgment on a postcard or letter that will be included with the Individual PAGA Payments.

11. Limitations on Liability. No person shall have any claim against Defendant or the Released Parties, Defendant's Counsel, PAGA Counsel, or the Settlement Administrator based on mailings, distributions, payments or reports made in accordance with or pursuant to this Settlement

Agreement. This provision does not, however, prevent a Party from seeking enforcement of this Settlement Agreement.

E. Release by Plaintiffs and Aggrieved Employees of PAGA Claims.

1. Effect of Release. Upon entry of the Approval Order and on the date when Defendant fully funds the entire Gross Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, Plaintiffs and the Aggrieved Employees will release and discharge the Released Parties from the Released Claims for the PAGA Period, including from all claims, transactions, occurrences, or penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were or could have been sought by the Labor Commissioner for the violations identified and facts contained in the Operative Complaint filed in the Action and in Plaintiffs' PAGA Notice, that accrued at any time during the PAGA Period. It is the intent of the Parties that the Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon the Aggrieved Employees.

2. Binds LWDA. Upon entry of the Final Approval Order, Plaintiffs, standing in the shoes of the Labor Commissioner/LWDA, and on behalf of the State of California and all Aggrieved Employees, will forever completely release and discharge the Released Parties from the PAGA Released Claims for the PAGA Period. It is the intent of the Parties that the Final Approval Order and judgment entered by the Court shall have full equitable and collateral estoppel and res judicata effect and be final and binding upon Aggrieved Employees regarding the PAGA Released Claims.

3. Representative Execution. Each Aggrieved Employee and the LWDA will be deemed to have made the foregoing Release as if by manually signing it. All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for penalties under the California Private Attorneys' General Act (Labor Code section 2698, et seq.) that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in, and that could have been sought by the Labor Commissioner for the violations identified in and of the Complaints filed in the Action and/or Plaintiffs' PAGA Notice to the LWDA that accrued at any time during the PAGA Period. Aggrieved Employees retain their rights to pursue claims for wages,

statutory penalties, and any other damages.

F. Duties of the Parties Prior to the Court's Approval

1. Plaintiffs' and PAGA Counsel's Responsibilities. Plaintiffs and PAGA Counsel will prepare all documents necessary to obtain the Court's approval of the Settlement. Specifically, Plaintiffs and PAGA Counsel will prepare the following documents: (i) a draft proposed Approval Order; (ii) a signed declaration from the Settlement Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code § 2699.3(a)), Operative Complaint (Labor Code § 2699(l)(1)), and this Agreement (Labor Code § 2699(l)(2)); and (iv) declarations from PAGA Counsel stating all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Settlement Administrator. In their declarations, PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

G. Duties of the Parties Following Court's Approval

1. Approval. In connection with the Approval Hearing provided for in this Settlement Agreement, PAGA Counsel shall submit a proposed Approval Order:

(a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

(b) Entering judgment approving settlement, thereby permanently barring Aggrieved Employees and the LWDA from prosecuting any PAGA Released Claims against any of the Released Parties.

H. Voiding this Settlement Agreement

1. Void Obligations. If the settlement is voided or fails for any reason, Plaintiffs and

Defendant will have no further obligations under the settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Settlement. In such a scenario, each Party shall be separately responsible for their own fees and costs that they incurred during the settlement process.

2. Void Administrator Costs. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator shall be borne equally by Defendant and Plaintiffs, unless otherwise specified in this Settlement Agreement.

I. Other Terms

1. Stay of Proceedings. Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court's approval, to a stay of all proceedings in the Action except such as are necessary to effectuate this Settlement.

2. Non-Solicitation. All Parties, signatories, and their counsel shall not encourage opt-outs or objections to this Settlement Agreement. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means.

3. Waiver. The waiver by one Party of any breach of this Settlement Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Settlement Agreement.

4. Full and Complete Defense. This Settlement Agreement may be pleaded by any Released Party as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any PAGA Released Claims.

5. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof. The signatories hereto further represent that the Parties to this Settlement Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel prior to authorizing its execution.

6. Publicity and Confidentiality.

(a) Communication by Counsel: PAGA Counsel shall not use the Settlement approval process to solicit new individual representations or initiate communications with Aggrieved Employees for purposes unrelated to this Action. Nothing will prevent PAGA Counsel from (1) initiating or responding to communications reasonably necessary to effectuate the Settlement, comply with any Court order, or fulfill counsel's obligations to the State of California and the Aggrieved Employees in this Action, or (2) responding to inquiries from Aggrieved Employees. For its part, Defendant agrees that it shall refer any questions from Aggrieved Employees to the Settlement Administrator.

(b) No Media: Plaintiffs and PAGA Counsel agree that they will not issue any press release or initiate contact with the media for the purpose of publicizing this Action or the Settlement. This provision shall not limit any communications required by law or Court order, including communications with the LWDA or other governmental agencies or restrict Plaintiffs or PAGA Counsel from responding to unsolicited media or third-party inquiries that this Action has settled.

(c) Confidentiality: Prior to filing of motion for approval, PAGA Counsel shall not discuss or publish the terms of the Settlement or the negotiations leading to Settlement with any person other than the named Plaintiffs, or as reasonably necessary to effectuate and/or enforce the Settlement, including communications with the Court, the LWDA, and potential settlement administrators.

(d) Disclosure by Plaintiffs' Counsel Only for Adequacy Declarations: PAGA Counsel may disclose publicly-available information about the case only to the extent they do so in declarations establishing their adequacy as counsel in other cases, as required by the Court and to notify the LWDA of the resolution of the Action.

(e) Neutral Reference: In response to any inquiry from a prospective or current employer regarding Plaintiffs' employment with Defendant, Defendant shall provide only the following neutral information: dates of employment, last position held, and, if requested, final rate of pay.

7. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other Action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts,

including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, PAGA Counsel shall, with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's approval of the settlement, and the final entry of judgment.

8. Inadmissibility of this Settlement Agreement. Whether or not the Court issues the Final Approval Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for approval, shall, pursuant to California Evidence Code § 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

9. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement. Plaintiffs and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Settlement Agreement shall be in all cases construed as a whole, according to its fair meaning.

10. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

11. Modification. This Settlement Agreement may not be changed, altered, or modified,

except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

12. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiffs and Defendant agree to seek the help of the mediator identified in this Settlement Agreement to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiffs or Defendant.

13. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of dismissal pursuant to the terms of this Settlement Agreement, that, pursuant to California Code of Civil Procedure § 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Settlement Agreement.

14. Enforceability. Pursuant to California Evidence Code §§ 1123(a) and (b), the Parties intend that this Settlement Agreement shall be enforceable, binding, and admissible in a court of law.

15. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

16. Integration Clause. This Settlement Agreement and its attachments contain the entire agreement between the Parties relating to the Settlement and any transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

17. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

18. Signatures of All Aggrieved Employees Unnecessary to be Binding. It is agreed that,

because the Aggrieved Employees are numerous, it is impossible or impractical to have each Aggrieved Employee execute this Settlement Agreement. The Notice will advise all Aggrieved Employees of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Aggrieved Employee.

19. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

20. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

21. Authority to Sign. The signatories hereto represent and warrant that they have the authority to sign on behalf of their designated parties.

22. Fair, Adequate, and Reasonable Settlement. The Parties, PAGA Counsel, and Defense Counsel agree that the Settlement Agreement is fair, adequate, and reasonable and will represent the same to the Court.

IT IS SO AGREED. IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this PAGA Representative Settlement Agreement as of the date set forth below.

Dated: 5/21/2026

DocuSigned by:
Alejandro Medina
750F3390DB5B49D...
Alejandro Medina, Plaintiff

Dated: 5/28/2026

Signed by:
Jose C Osm
2E960F93C330496...
Jose Antonio Camaro Osuna, Plaintiff

Date: 6/8, 2026

DEFENDANT:
Authorized Representative of
John Lenore & Company

By:

Title: President

APPROVED AS TO FORM:

Dated: 5/28/2026

Kane Moon, Esq.

Counsel for Plaintiffs

Dated: __________, 2026

Roger M. Mansukhani
Laura A. Walker
Anafrancesca Y. Comunale

Counsel for Defendant
John Lenore & Company

Date: ___________, 2026

DEFENDANT:
Authorized Representative of
John Lenore & Company

By: ____

Title: ___________________________________

APPROVED AS TO FORM:

Dated: 5/28/2026

Kane Moon, Esq.

Counsel for Plaintiffs

Dated: ___________, 2026

Roger M. Mansukhani
Laura A. Walker
Anafrancesca Y. Comunale

Counsel for Defendant
John Lenore & Company

EXHIBIT A

MOON LAW GROUP, PC
ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

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LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
Kmoon@moonlawgroup.com

March 15, 2025

VIA ONLINE SUBMISSION
Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL
John Lenore & Co.
1250 Delevan Drive
San Diego, CA 92102

Notice of Labor Code Violations and PAGA Penalties

Re: ***Alejandro Medina v. John Lenore & Co.***

To Whom It May Concern:

Please be advised that my office has been retained by Alejandro Medina ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, John Lenore & Co. ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of Plaintiff as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including San Diego County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a driver, primarily in San Diego County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 to 6 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including all overtime wages. Throughout the statutory period, Plaintiff and the Aggrieved Employees were required to work off-the-clock, and uncompensated. For example, Plaintiff and the Aggrieved Employees were required to wait in line in order to clock into work, off the clock and uncompensated. Also, Plaintiff and the Aggrieved Employees often had their meal breaks interrupted without compensation. Also throughout the statutory period, Plaintiff and the Aggrieved Employees received non-discretionary bonuses, incentive pay, and other remuneration. However, Defendants failed to incorporate all remuneration when calculating the correct overtime rate of pay, meal break premium rate of pay, and sick day rate of pay, leading to underpayment.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

<u>Failure to Maintain Accurate Records of Hours Worked and Meal Periods</u>

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the use of personal cellular telephones for work purposes and the purchase of items such as gloves. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, he was owed vacation wages at his true final wage rate on his final pay check from Defendant even though he had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant'sconduct violates Labor Code §§ 201 and 202.Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1)

gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, 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 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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendantthe greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding $4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

<u>Failure to Pay All Earned Wages Twice Per Month</u>

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code § 227.3 by failing to pay all vacation wages at termination;
7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
8. Labor Code § 226 by failing to provide accurate itemized wage statements; and
9. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to itscorporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON LAW GROUP, PC

Kane Moon, Esq.
Attorney at Law

MOON LAW GROUP, PC
ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

725 S. FIGUEROA STREET, SUITE 3100
LOS ANGELES, CALIFORNIA 90017
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Kane Moon, Esq.
Kmoon@moonlawgroup.com

August 21, 2025

VIA ONLINE SUBMISSION
Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL
John Lenore & Co.
1250 Delevan Drive
San Diego, CA 92102

Notice of Labor Code Violations and PAGA Penalties

Re: ***Jose Antonio Camero Osuna v. John Lenore & Co.***

To Whom It May Concern:

Please be advised that my office has been retained by Jose Antonio Camero Osuna ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, John Lenore & Co. ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of Plaintiff as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including San Diego County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a driver, primarily in San Diego County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 to 6 days per week, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including all overtime wages. Throughout the statutory period, Plaintiff and the Aggrieved Employees were required to work off-the-clock, and uncompensated. For example, Plaintiff and the Aggrieved Employees were required to wait in line in order to clock into work, off the clock and uncompensated. Also, Plaintiff and the Aggrieved Employees were required to inspect vehicles and inspect the merchandise prir to clocking into work, off the clock and uncompensated. Also, Plaintiff and the Aggrieved Emploeyes received communications relating to work while off the clock, and uncompensated. Also, Plaintiff and the Class were required to undergo COVID screening for temperature checks during certain time periods, off the clock and uncompensated. Also, Plaintiff and the Aggrieved Employees often had their meal breaks interrupted without compensation. Also throughout the statutory period, Plaintiff and the Aggrieved Employees received non-discretionary bonuses, incentive pay, and other remuneration. However, Defendants failed to incorporate all remuneration when calculating the correct overtime rate of pay, meal break premium rate of pay, and sick day rate of pay, leading to underpayment.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the use of personal cellular telephones for work purposes and the purchase of items such as gloves. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant has failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, he was owed vacation wages at his true final wage rate on his final pay check from Defendant even though he had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

<u>Failure to Timely Pay All Wages at Termination</u>

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant'sconduct violates Labor Code §§ 201 and 202.Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

<u>Failure to Furnish Accurate Itemized Wage Statements</u>

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, 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 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. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendantthe greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding $4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code § 227.3 by failing to pay all vacation wages at termination;
7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
8. Labor Code § 226 by failing to provide accurate itemized wage statements; and
9. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to itscorporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

MOON LAW GROUP, PC

Kane Moon, Esq.
Attorney at Law

EXHIBIT B

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

NOTICE OF PAGA SETTLEMENT

Alejandro Medina v. John Lenore & Co.

Superior Court of California, County of San Diego, Case No. 25CU018111C

This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.

PLEASE READ THIS NOTICE

The California Superior Court, County of San Diego has granted approval of a settlement in the above-captioned action ("Settlement"). Because your rights are affected by this Settlement, it is important that you read this Notice of Settlement ("Notice") carefully. The purpose of this Notice is to provide a brief description of the claims alleged in the action and the key terms of the Settlement.

WHAT INFORMATION IS IN THIS NOTICE

1. Why Have I Received This Notice?

Enclosed is your payment from the settlement of the lawsuit entitled *Alejandro Medina v. John Lenore & Co.***,** pending in the Superior Court for the State of California, County of San Diego, Case No. 25CU018111C. The lawsuit was filed by a former employees, Alejandro Medina and Jose Antonio Camero Osuna ("Plaintiffs"), against the named defendant John Lenore & Co. ("Defendant") pursuant to the California Private Attorneys General Act of 2004, codified at California Labor Code § 2698, *et seq.* (called "PAGA"). The lawsuit was brought by Plaintiffs on behalf of the State of California and all persons who worked for Defendant in California as a non-exempt employee at any time between August 21, 2024, through March 6, 2026 ("PAGA Period"). You have been identified as one of the employees on whose behalf the lawsuit was filed.

2. What Is This Case About?

Plaintiffs allege they and other non-exempt employees employed by Defendant in California during the PAGA Period were subjected to various Labor Code violations. Defendant denied and continues to deny all allegations and liability. However, to avoid further time and expense of protracted and uncertain litigation, Plaintiffs and Defendant agreed to settle the lawsuit.

3. How Does This Settlement Affect My Rights? What are the Released Claims?

The Court approved the Settlement on [_______]. On the date the Court enters the order approving the Settlement ("Order"), and payment of all funds due under the Settlement are made, the Labor and Workforce Development Agency ("LWDA") and all Aggrieved Employees (as defined below), including Plaintiffs, fully release and forever discharge the Released Parties (as defined below) from any and all Released Claims (also defined below).

"Aggrieved Employee" consists of all persons currently or formerly employed by Defendant, either directly or through any subsidiary, staffing agency, joint venture, or professional employer organization, as hourly-paid or non-exempt employees in the State of California from August 21, 2024 to March 6, 2026. (the "PAGA Period").

"Released Claims" means the claims being released by Plaintiffs and Aggrieved Employees, including the PAGA claims that Plaintiffs alleged or could have alleged against the Released Parties, on behalf of the Aggrieved Employees and the State of California, based on the facts stated in the Operative Complaint and in the LWDA PAGA Notice letter, or that could have been asserted based on those facts, including but not limited to all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to permit rest breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements; (8) unfair business practices; and for any other (9) civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq.

"Released Parties" means Defendant John Lenore & Co., and any predecessor, successor, subsidiary, parent, affiliated or related entity, and each of their owners, managerial employees, agents, directors, and/or officers

4. How Much Can I Expect to Receive From This Settlement?

The Gross Settlement Amount is the maximum total payment under the Settlement. The Gross Settlement Amount is $270,000. This sum is comprised of PAGA Counsel Attorneys' Fees of $XXX; reimbursement of PAGA Counsel's Litigation Costs of $36,000; Settlement Administration Costs of $__________; and the remainder as PAGA penalties, or the Net Settlement Amount. The Net Settlement Amount is comprised of the LWDA Payment and the Individual PAGA Payments to Aggrieved Employees. $________, or 65% of the Net Settlement Amount will be paid to the LWDA in accordance with the PAGA. $________, or 35% of the Net Settlement Amount will be paid to the Aggrieved Employees as Individual PAGA Payments, which will be calculated on a pro rata basis, based on the number of each Aggrieved Employee's pay periods worked during the PAGA Period.

Based on Defendant's records, you worked [NUMBER OF PAY PERIODS] pay periods during the PAGA Period. The total amount of pay periods worked by all Aggrieved Employees during the PAGA Period is [NUMBER OF PAY PERIODS].

The enclosed check represents your share based upon the number of pay periods you worked during the PAGA Period.

An IRS 1099 Form is enclosed. You will be solely responsible for paying federal, state or local taxes, if any, on the amount of your check.

Your enclosed check is valid for 180 days from the date of its issuance. ***It is strongly recommended that you cash or deposit this check immediately***. After that date, you cannot cash the check and it will be null and void and the amount forwarded to the State of California Controller's Office Unclaimed Property Division for further handling.

Even if you fail to cash the enclosed check, you will still be deemed to have waived all claims arising from the above-entitled lawsuit as defined above under "Released Claims," including all claims set forth in the release of claims described above.

If the check is lost or misplaced, please contact the Settlement Administrator immediately at [xxx-xxx-xxxx]. If you have any questions about your check, please contact the [insert administrator information].

5. How Can I Obtain Additional Information or Court Documents?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number listed below, toll free.

PLEASE DO NOT CALL THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.