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13 and All Aggrieved Employees

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

15 **COUNTY OF SAN DIEGO**

16 JOHN JOHNSON, in his representative
17 capacity, on behalf of the State of California, the
18 general public and all aggrieved employees.

19 Plaintiff,

20 v.

21 GB AUTO SERVICE, INC, a Delaware
22 Corporation authorized to do business in
23 California; and DOES 1 through 50 inclusive.

24 Defendants.

Case No.: 37-2022-00041423-CU-OE-CTL

**DECLARATION OF VILMARIE CORDERO
IN SUPPORT OF PLAINTIFF'S UNOPPOSED
MOTION FOR PRELIMINARY APPROVAL
OF CLASS AND PAGA ACTION
SETTLEMENT**

Date: October 3, 2025
Time: 9:10 a.m.
Dept: C-62
Judge: Hon. Judy Bae

[Filed concurrently herewith Notice of Motion;
Memorandum of Points and Authorities,
Declaration of John Johnson and Sean Hartranft;
and [Proposed] Order]

Complaint Filed: October 14, 2022
Trial Date: None set

1 I, Vilmarie Cordero, declare as follows:

2 1. I am an attorney at law licensed to practice before all courts of the State of California. I am
3 one of the four shareholders of the law firm of GrahamHollis, APC in San Diego, California, counsel of
4 record for Plaintiff John Johnson ("Plaintiff"), the putative class members, and the aggrieved employees
5 in the pending wage and hour class action and Private Attorneys General Act ("PAGA") lawsuit entitled
6 *John Johnson v. GB Auto Service, Inc.*, Superior Court of California, County of San Diego, Case No. 37-
7 2022-00041423-CU-OE-CTL.

8 2. Shareholder Hali M. Anderson and I are the primary attorneys from my firm handling this
9 case. I am thoroughly familiar with, and have personal knowledge of, the facts set forth herein. If called
10 as a witness, I could and would competently testify to the information set forth below.

11 3. I submit this declaration in support of Plaintiff's Unopposed Motion for Preliminary
12 Approval of Class and PAGA Action Settlement, which seeks an order: (1) preliminarily approving the
13 proposed Settlement; (2) provisionally certifying the Settlement Class; (3) approving the form and content
14 of the Class Notice; (4) appointing Plaintiff as Class Representative and Plaintiff's Counsel as Class
15 Counsel; (5) approving Apex Class Action LLC as the Settlement Administrator; and (6) scheduling a
16 Final Approval Hearing.

17 4. A true and correct copy of the fully executed Class Action and PAGA Settlement
18 Agreement ("Settlement Agreement" or "SA" or "Settlement") is attached hereto as **Exhibit 1**. A true and
19 correct copy of the Court-Approved Notice of Class Action Settlement and Hearing Date for Final Court
20 Approval ("Class Notice") is attached as **Exhibit A** to the Settlement Agreement.

21 5. Plaintiff provided a copy of the Settlement Agreement to the State of California, Labor and
22 Workforce Development Agency (LWDA) at the same time Plaintiff's Unopposed Motion for Preliminary
23 Approval of Class and PAGA Action Settlement was filed with the Court. A true and correct copy of the
24 confirmation of submission of the Settlement Agreement to the LWDA is attached herein, for ease of
25 reference, as **Exhibit 2**.

26 **CLASS COUNSEL'S CLASS ACTION EXPERIENCE**

27 6. Over the past ten years, my firm has been appointed as class counsel and received adequate
28 and fair settlements in over 150 action lawsuits in the district and state courts of California with claims

similar to those presented here. A list of the cases in which my firm has settled for plaintiffs in wage and hour employment actions pending throughout California is attached hereto as **Exhibit 3**.

7. Shareholder Hali M. Anderson was admitted to the California State Bar in December 2008. Throughout her entire career, she has practiced employment law exclusively and worked on numerous wage and hour class actions. She joined GrahamHollis APC in September 2018 and currently serves as plaintiff's counsel of record in the following class and representative actions: *Arong v. Integra Beauty*, Superior Court for the County of Los Angeles (litigation ongoing); *Bechere v. Ralphs Grocery Company*, Superior Court for the County of Alameda (litigation ongoing); *Brumbaugh v. Sunoco*, Superior Court for the County of San Joaquin (litigation ongoing); *Bernardo v. First Element Fuel*, Superior Court for the County of Orange (litigation ongoing); *Boucher v. Unstoppable Automotive AMV*, Superior Court for the County of Orange (litigation ongoing); *Bowens v. Trestles*, Superior Court for the County of Sacramento (litigation ongoing); *Cabbagestalk v. 29th Street Property Management*, Superior Court for the County of San Diego (litigation ongoing); *Carrillo v. DMSD Restaurants*, Superior Court for the County of San Diego (litigation ongoing); *Colis v. Sweetwater*, Superior Court of San Diego (litigation ongoing); *Cullum v. Sharp Healthcare*, Superior Court for the County of San Diego (litigation ongoing); *Dochtermann v. HI. Q*, Superior Court for the County of San Diego (litigation ongoing); *Gonzalez v. Rolling Hills*, Superior Court for the County of Los Angeles (litigation ongoing); *Gonzalez v. Community Services and Employment Training, et al.*, Superior Court for the County of Tulare (litigation ongoing); *Hernandez v. Comercia Bank, Business Information Group*, Superior Court for the County of San Diego (litigation ongoing); *Hall v. CVS Health Corporation, et al.*, United States District Court, Eastern District (litigation ongoing); *Jimenez v. Mattress and Furniture Express*, Superior Court for the County of Sacramento (litigation ongoing); *Ley v. Ace Hardware*, Superior Court for the County of Sacramento (litigation ongoing); *Lopez v. Foley Family Wines*, Superior Court for the County of Sonoma (litigation ongoing); *Middleton v. Householder Group Estate and Retirement Specialist*, Superior Court for the County of Riverside (litigation ongoing); *Minor v. Essential Staffing*, Superior Court for the County of Sacramento (litigation ongoing); *Minor v. Top Flight Registry*, Superior Court for the County of Sacramento (litigation ongoing); *Minor v. Twomagnets*, Superior Court for the County of Alameda (litigation ongoing); *Men v. Nichols Restaurant*, Superior Court for the County of Los Angeles (litigation ongoing); *Mabalot v.*

1 *Healthsource*, Superior Court for the County of San Diego (litigation ongoing); *Mittendorff v. Bxng Club*,
2 Superior Court for the County of San Diego (litigation ongoing); *Nesmith v. RCS Safety*, Superior Court
3 for the County of Los Angeles (litigation ongoing); *Orosz, et al. v. Briarwood Post Acute, LLC*, Superior
4 Court for the County of Sacramento (litigation ongoing); *Quiroz v. Prestige Gunit*, Superior Court for
5 the County of Contra Costa (litigation ongoing); *Richardson v. Sunbelt Staffing*, United States District
6 Court, Eastern District of California (litigation ongoing); *Serna v. Arena Stuart Rentals*, Superior Court
7 for the County of Santa Clara (litigation ongoing); *Sy v. Pacific Rim*, Superior Court for the County of San
8 Diego (litigation ongoing); *Stewart v. Quest Diagnostics*, United States District Court, Southern District
9 of California (litigation ongoing); *Santiago v. Security Industry Specialists*, Superior Court for the County
10 of San Diego (litigation ongoing); and *Walker v. Healthsource*, Superior Court for the County of Santa
11 Clara (litigation ongoing).

12 8. In addition, Shareholder Hali M. Anderson has previously served as class and/or
13 representative counsel in the following cases: *Abella v. GHC of SAC-SNF LLC, et al.*, Superior Court for
14 the County of Sacramento; *Artibee v. Corelogic Credco*, Superior Court for the County of San Diego;
15 *Carson v. Downtown San Diego Partnership*, Superior Court for the County of San Diego; *Cooper v.*
16 *Thomas Cuisine Management*, Superior Court for the County of Fresno; *Dew v. Minegar Contracting, et*
17 *al.*, Superior Court for the County of San Diego; *Edwards v. Absolute Senior Solutions*, Superior Court
18 for the County of Santa Clara; *Figueroa v. Indigo Sky*, Superior Court for the County of Los Angeles;
19 *Fernandez v. Prime Healthcare Services, Inc.*, Superior Court for the County of Los Angeles; *Gray v.*
20 *Armstrong*, Superior Court for the County of Alameda; *Gnaedig v. Favorite Healthcare Staffing, et al.*,
21 Superior Court for the County of Los Angeles; *Headley, et al. v. Professional Maintenance Systems*,
22 Superior Court for the County of San Diego; *Lee v. Sutter Health Foundation*, Superior Court for the
23 County of Alameda; *Moreno v. Providence Group, Inc.*, Superior Court for the County of San Diego;
24 *Muniz v. Sutter Valley Hospitals*, Superior Court for the County of Sacramento; *McGough v. Love's Travel*
25 *Stop & Country Stores, Inc.*, Superior Court for the County of Kern; *Rodriguez v. Camden Security*,
26 Superior Court for the County of Alameda; *Rodriguez v. Atrium Hospitality*, Superior Court of
27 Los Angeles; *Sanabia v. GP Development*, Superior Court for the County of Sacramento; *Saruca v.*
28 *Palacek Imports, Inc.*, Superior Court for the County of Contra Costa; *Trento v. US Security Associates*,

1 Superior Court for the County of Alameda; *Taylor v. Penske Logistics*, United States District Court for
2 the Central District; *Taylor v. Penske Logistics*, Superior Court for the County of San Bernardino;
3 *Twombly v. Del Frisco's*, Superior Court for the County of San Diego; *Valentine v. Santa Monica*
4 *Rehabilitation Center, et al.*, Superior Court for the County of San Diego; and *Valentine v. Santa Monica*
5 *Rehabilitation Center, et al.*, United States District Court for the Central District.

6 9. I have been a Member of the American Bar Association since my admission to the Puerto
7 Rico State Bar in January 2006. I have been a Member of the New York State Bar since April 2008, and
8 a Member of the California State Bar since January 2010.

9 10. I received a Master of Law (LLM) with a concentration in Employment and Labor Law
10 from the University of San Diego School of Law in May 2009.

11 11. I have over 19 years of experience representing employees in employment litigation. I have
12 worked exclusively with class and representative matters since I joined GrahamHollis, APC in January
13 2009.

14 12. I currently serve as plaintiff's counsel of record in the following class and representative
15 cases: *Baltazar v. Ace Parking*; Superior Court for the County of San Diego (litigation ongoing); *Basham*
16 *et al. v. Tailored Living Choices*, U.S. District Court for the Northern District of California (litigation
17 ongoing); *Cervantes v. Terra Bella Nursery Inc.*, Superior Court for the County of San Diego (litigation
18 ongoing); *Cole v. Talia First Class Limousines, Inc.*, Superior Court for the County of San Diego
19 (litigation ongoing); *Cortes v. Option One Corporation*, Superior Court for the County of San Bernardino
20 (litigation ongoing); *Coombes v. HR Support*, Superior Court for the County of Alameda (litigation
21 ongoing); *Eusebio, et al. v. Jiles Security*, Superior Court for the County of Riverside (litigation ongoing);
22 *Goldman v. Bill Howe*, Superior Court for the County of San Diego (litigation ongoing); *Gomez v. RD*
23 *Engineering*, Superior Court for the County of San Diego (litigation ongoing); *Garcia v. Norcal Pool*
24 *Construction*, Superior Court for the County of Santa Clara (litigation ongoing); *Hendrickson v. Walmart*,
25 U.S. District Court for the Southern District of California (litigation ongoing); *Hudson v. Wilhelm*, U.S.
26 District Court for the Northern District of California (litigation ongoing); *Hurtado v. Giuseppe's Cucina*,
27 Superior Court for the County of San Luis Obispo (litigation ongoing); *Hood v. E&E Ryder, LLC et al.*,
28 Superior Court for the County of Riverside (litigation ongoing); *King v. Creative Alternative for Learning*

1 & Living, Inc., Superior Court for the County of San Luis Obispo (litigation ongoing); *Lawson v. Executive*
2 *Maintenance, Inc.*, Superior Court for the County of Orange (litigation ongoing); *Medina v. A & T*
3 *Restaurant Management*, Superior Court for the County of San Diego (litigation ongoing); *Maharaj v.*
4 *Charter Communications*, U.S. District Court for the Southern District of California (litigation ongoing);
5 *Muzquiz v. Briles*, Superior Court for the County of Los Angeles (litigation ongoing); *Marquez v. Lava*
6 *DS, LLC*, Superior Court for the County of Los Angeles (litigation ongoing); *Menjivar v. Deanco*
7 *HealthCare, LLC*, Superior Court for the County of Los Angeles (litigation ongoing); *Phan v. NFC*
8 *Amenity*, Superior Court for the County of Alameda (litigation ongoing); *Pulley v. Rayne Dealership*
9 *Corporation*, Superior Court for the County of San Diego (litigation ongoing); *Richards v. Guardian*,
10 Superior Court for the County of San Diego (litigation ongoing); *Rincon v. Melin*, Superior Court for the
11 County of Merced (litigation ongoing); *Ruelas v. Bank of Southern California, N.A.*, Superior Court for
12 the County of San Diego (litigation ongoing); *Soberanis v. Restaurant Acapulco*, Superior Court for the
13 County of Orange (litigation ongoing); *Soltero v. Stericycle*, Superior Court for the County of San Diego
14 (litigation ongoing); *Sedano v. Jalimex*, Superior Court for the County of Santa Clara (litigation ongoing);
15 *Vega v. Fondomonte*, Superior Court for the County of Riverside (litigation ongoing); and *Yatman v.*
16 *Gerber Collision CA*, Superior Court for the County of San Diego (litigation ongoing).

17 13. My firm has considerable experience handling complex wage and hour class action cases
18 with claims similar to those asserted in this action and has successfully represented tens of thousands of
19 employees throughout California. Exhibit 3.

20 **CASE BACKGROUND AND PROCEDURAL HISTORY**

21 14. Defendant Sun Auto Tire & Service, formerly known as GB Auto Service, Inc., is a
22 Delaware corporation with over 500 locations nationwide, and over 50 locations in California. Defendant
23 provides automotive repair, maintenance, and tire services to its California customers.

24 15. Plaintiff John Johnson was employed by Defendant from December 10, 2012, to February
25 1, 2022. Plaintiff's responsibilities included, but were not limited to, sales and managing day-to-day store
26 operations. At all relevant times, Plaintiff was classified as a non-exempt employee.

27 16. Defendant has employed non-exempt employees in the following positions: Sales
28 Associate, Mechanic, Auto Technician, Service Advisor, Tire Technician, and Store Manager. As of

1 March 20202, all employees, except for Tire Technicians, receive hourly play plus commissions with
2 Mechanics receiving a certain percentage of parts and labor sold; and Sales Associates and Service
3 Advisors receiving a percentage of the gross profit from tire sales.

4 17. Plaintiff provided written notice to the Labor and Workforce Development Agency
5 (LWDA) and Defendant of the Labor Code violations he alleges against Defendant and the factual basis
6 for such violations. A true and correct copy of the written notice to the LWDA is attached as **Exhibit 4**.

7 18. Plaintiff filed his representative action Complaint on October 14, 2022. Plaintiff asserted a
8 single representative cause of action under PAGA against Defendant for alleged violations of California
9 Labor Code sections 201, 202, 203, 204, 210, 213, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7,
10 510, 512, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802.

11 19. Plaintiff prepared and propounded a first set of discovery requests on Defendant on
12 December 5, 2022. The parties engaged in several meet and confer efforts and soon thereafter agreed to
13 participate in mediation.

14 20. The parties initially scheduled their mediation with experienced mediator Jeffrey L. Krivis
15 for November 9, 2023. The mediation had to be continued and thereafter cancelled due to health issues of
16 the mediator.

17 21. Thereafter, the parties agreed to mediate the case with Tripper Ortman, a mediator with
18 extensive experience in California wage and hour litigation.

19 22. On September 7, 2024, the parties participated in a full-day mediation with Tripper
20 Ortman.

21 23. During the mediation session, the parties engaged in good-faith, non-collusive
22 negotiations, exchanged additional information regarding the realistic damages exposure to Defendant,
23 discussed the relative strength and weaknesses of Plaintiff's claims, the risks of delays of further litigation,
24 the current state of the law as it related to Plaintiff's claims, the competing valuations of Plaintiff's
25 potential class-wide damages, and the difficulty Plaintiff may have in maintaining class certification of
26 each of the claims. Tripper Ortman's role in mediating this case was extremely helpful in managing the
27 parties' expectations and provided a useful and neutral analysis of the issues and risks to all parties. At all

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1 times, the parties' negotiations were hard-fought and conducted at arm's-length between attorneys with
2 substantial wage and hour class action experience.

3 24. At the mediation, the parties reached a verbal agreement for the resolution of the Class and
4 corresponding PAGA civil penalties claims alleged on behalf of all non-exempt employees of Defendant.

5 25. The parties engaged in additional meet and confer efforts after the mediation to finalize the
6 Class and PAGA Settlement.

7 26. On or around April 30, 2025, the parties fully executed the Class and PAGA Representative
8 Action Settlement and Release. This settlement is the product of arm's-length negotiations by highly
9 skilled and well-informed counsel.

10 27. The parties filed a Joint Stipulation and Proposed Order for Leave to File a First Amended
11 Complaint on May 7, 2025. The Stipulation was approved by the Court on May 8, 2025.

12 28. In accordance with California Labor Code section 2699(1)(2), a copy of the notice and the
13 Settlement was submitted to the LWDA on May 21, 2025.

14 **PLAINTIFF'S FIRST AMENDED COMPLAINT**

15 29. Plaintiff's First Amended Complaint, and Operative Complaint, alleges a total of nine
16 causes of action for: (1) Failure to Provide Meal Periods, (2) Failure to Provide Rest Periods, (3) Failure
17 to Pay Minimum and Regular Wages, (4) Failure to Pay Overtime Wages, (5) Failure to Furnish Accurate
18 Itemized Wage Statements, (6) Failure to Timely Pay all Wages Due and Owing Upon Separation of
19 Employment, (7) Failure to Reimburse for Business Expenses, (8) Violations of California's Unfair
20 Competition Law, and (9) Representative Action for Civil Penalties Pursuant to the Private Attorney
21 General Act of 2004.

22 30. Plaintiff is a former non-exempt employee of Defendant. He typically worked six (6) days
23 a week, twelve (12) hour shifts, for a total of approximately sixty (60) to seventy-two (72) hours per week.
24 Plaintiff earned \$20.00 per hour plus 10% of the location's weekly profits. At all relevant times, Plaintiff
25 earned an hourly wage, was to be paid biweekly, and was classified by the Company as a non-exempt
26 employee for purposes of the Labor Code and the Industrial Welfare Commission ("IWC") Wage Orders.

27 31. Plaintiff alleges that Defendant systematically failed to comply with its legal obligations
28 under the California Labor Code and is therefore liable for unpaid minimum and contractual wages, unpaid

1 overtime wages, unpaid meal and rest premium wages, penalties for inaccurate itemized wage statements,
2 waiting time penalties, and PAGA civil penalties, plus attorney's fees and costs.

3 32. Plaintiff alleges that he and other employees that worked as Sales Associate, Mechanic,
4 Auto Technician, Service Advisor, Tire Technician, and Store Manager were required to perform several
5 services on nonproductive time and/or off-the-clock where they received no commission pay or fallback
6 pay. For example, Plaintiff alleges he and other employees did not receive any commission or piece rate
7 for installing tires, performing basic alignments or warranty work, picking up tires and other parts for the
8 store, picking up clients, cleaning the store, making bank deposits every day at the end of the day, doing
9 inventory and stocking, attending trainings, and meetings.

10 33. Moreover, Plaintiff claims non-exempt employees who were paid on commission or piece-
11 rate only were not separately compensated for time spent on rest breaks.

12 34. Plaintiff further claims employees in all positions reported recurring issues with being able
13 to take meal and rest periods. Plaintiff alleges that Defendant failed to provide the opportunity to take
14 lawful meal and rest periods because it imposed demanding work quotas and deadlines. The employees
15 had to meet strict turnaround times and the volume of business was too high and the staffing was too low
16 for employees to take compliant meal and rest periods.

17 35. Plaintiff alleges that he and other employees regularly worked through their meal and rest
18 periods because of insufficient staffing, demanding workloads, inflexible deadlines, and the expectation
19 that they complete detail-oriented work without any errors and without working overtime.

20 36. Plaintiff further claims Defendant never paid a single meal or rest period premium to any
21 non-exempt employee during part of the Class period. Moreover, Plaintiff claims they were never
22 informed that they were entitled to meal and rest period premiums when breaks were not provided, and
23 the handbook is completely silent on the payment of premiums as well.

24 37. Moreover, Plaintiff contends that Defendant failed to pay meal and rest and overtime
25 premiums at the employee's regular rate of pay.

26 38. Plaintiff also alleges that Defendant failed to pay minimum and/or overtime wages to
27 Plaintiff and Class Members for the time they spent working during their meal breaks and/or when those

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breaks were interrupted. Plaintiff further alleges that Defendant improperly calculated the regular rate of pay for purposes of paying overtime wages.

39. Additionally, Plaintiff alleges Defendant did not have any policy providing for reimbursement of work-related expenses.

40. Finally, Plaintiff contends that Defendant failed to provide Plaintiff and other employees with accurate itemized wage statements, did not maintain accurate records, and further failed to pay them all wages due and owing upon separation of employment within the time frame specified by California law.

DEFENDANT STRONGLY DENIES PLAINTIFF'S CLASS AND PAGA CLAIMS

41. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the litigation, and further denies that this action is appropriate for class treatment for any purpose other than settling this litigation. Defendant maintains that Plaintiff and other putative class members signed valid and enforceable arbitration agreements, precluding them from participating in this class action. Defendant also contends that it complied at all times with the California Labor Code, applicable California IWC Wage Orders and the California Business and Professions Code.

42. Defendant maintains that it complied with all of its meal and rest period obligations under California law, and that Plaintiff and all putative class members were properly provided with the opportunity to take all meal and rest periods to which they were entitled at all times during the class period, according to its written policies.

43. Defendant vehemently denies that any putative class member was required to work during their meal breaks or rest breaks and that, if any putative class member did so, it was voluntary. Defendant maintains that putative class members had autonomy in the execution of their job duties and were not required to remain on duty for their meal or rest breaks.

44. Defendant also maintains that it properly calculated and paid all minimum, regular, and overtime wages owed and contends that its timekeeping practices did not deprive Plaintiff or any putative class members of minimum, regular, or overtime wages.

45. Defendant contends that each putative class member was required to accurately record all of his or her hours worked in Defendant's timekeeping system for payment of wages, thereby posing an

1 obstacle to class certification.

2 46. Defendant also maintains that any work performed by putative class members off-the-clock
3 was performed without its permission, that Defendant was unaware that putative class members had
4 performed duties off-the-clock, and that, if Defendant had known that putative class members performed
5 work off-the-clock, it would have provided putative class members compensation for their work.
6 Defendant further claims that there are no written policies requiring employees to work through any of
7 their meal or rest periods.

8 47. Defendant contends that the wage statements it issued contained all the information
9 required by California Labor Code section 226(a) and that if any information was missing, it was not
10 intentional. Defendant claims Plaintiff will be unable to obtain statutory penalties for the alleged wage
11 statement violations, as Plaintiff cannot prove that Defendant knowingly and intentionally failed to
12 comply with Labor Code section 226.

13 48. With respect to Plaintiff's claim for waiting time penalties, Defendant alleges that its good-
14 faith belief in the use of its timekeeping and payroll practices precludes the imposition of any waiting time
15 penalties since Plaintiff will not be able to prove that Defendant's alleged failure to pay all final wages at
16 the time of separation was "willful."

17 49. Finally, Defendant claims that it did not engage in any Labor Code or Wage Order
18 violations and Plaintiff will not be able to demonstrate that Defendant is liable for civil penalties under
19 the Labor Code or statutory penalties under PAGA.

20 **CLASS COUNSEL'S INVESTIGATION OF THE CLASS AND PAGA CLAIMS**

21 50. The Settlement was reached only after the parties conducted a thorough investigation into
22 Plaintiff's class and representative claims, prepared an extensive analysis to determine potential damages,
23 and attended a full day of mediation with a mediator highly experienced in wage and hour class and
24 representative actions.

25 51. Prior to filing the Complaint in this action, my firm conducted a thorough investigation
26 into the merits of Plaintiff's claims and the applicable law related thereto, as well as reviewed numerous
27 documents and records provided by Plaintiff in support of his claims. My firm also requested Plaintiff's
28 employment files and spent significant time reviewing his employment records. Upon receipt of an

1 arbitration agreement signed by Plaintiff, my firm performed extensive research into the validity of the
2 arbitration agreement and kept informed of the evolving case law on arbitrability of PAGA claims.

3 52. My firm spent significant time conducting in-depth, fact-finding interviews with Plaintiff
4 and other non-exempt employees of Defendant regarding their employment to assess the relative strength
5 of the potential claims.

6 53. Plaintiff propounded a first set of special interrogatories asking for the number of current
7 and former non-exempt employees, and to identify each non-exempt employee's hire date, termination
8 date, job title, and locations where the non-exempt employee worked, on December 5, 2022. Plaintiff also
9 requested the contact information, including phone numbers, addresses, and email addresses, of all
10 Aggrieved Employees. Plaintiff further propounded a first set of requests for production of documents
11 seeking among others the time and pay records for the Aggrieved Employees.

12 54. Soon after Plaintiff served his first set of discovery, the parties engaged in meet and confer
13 efforts and decided to participate in private mediation. The parties agreed to attempt to informally resolve
14 not only the PAGA Claims, but also the underlying wage and hour violations for a group of the non-
15 exempt employees working for Defendant from and after October 2020.

16 55. Specifically, prior to the mediation, Defendant provided Plaintiff's counsel with the class
17 list containing all the employee identification numbers, job titles, and inclusive dates of employment for
18 all non-exempt employees working for Defendant from approximately October 1, 2018, through
19 approximately June 2024.

20 56. Defendant further produced several thousands of pages and data points containing the time
21 and corresponding payroll reports for its non-exempt employees working at any of their locations during
22 any pay period from October 2018 through May 2023. Defendant further produced sample wage
23 statements for the years 2018-2023.

24 57. Moreover, and before the parties finalized their agreement to settle, Defendant informally
25 produced to my office a sample of additional time and payroll records for the putative class members for
26 the years 2023-2024.

27 58. Defendant informally produced prior to the mediation Defendant's written policies and
28 procedures relating to the payment of wages; the applicable handbooks; the applicable pay programs; the

1 applicable bonus programs; the applicable spiff programs and flag pay or piece rate programs; the meal
2 break policies; all meal break waivers; and meal break attestation exemplars.

3 59. Defendant also provided the total approximate number of workweeks worked by putative
4 class members; the total approximate number of pay periods worked by all aggrieved employees; total
5 number of current and former aggrieved employees during the PAGA period; and total number of current
6 and former putative class members.

7 60. Defendant also produced the names, addresses, and telephone numbers of approximately
8 206 putative class members prior to the mediation.

9 61. My firm spent considerable time and effort calling putative class members and conducting
10 in depth interviews relating to the Labor Code violations alleged in the Complaint. My firm was not able
11 to interview all 206 non-exempt employees prior to the mediation. Nonetheless, my firm obtained
12 approximately 25 detailed interviews from the sample of the non-exempt employees who agreed to discuss
13 their experiences while working for Defendant with us.

14 62. The substantial exchange of information and documents enabled the parties to sufficiently
15 assess the strengths and weaknesses of their respective positions during arm's-length negotiations at
16 mediation. Based on the information provided by Defendant, my firm prepared a comprehensive damage
17 analysis. My firm also prepared a comprehensive mediation brief that outlined that relevant factual and
18 legal issues in this case, contained a detailed analysis of Defendant's payroll records, and presented a
19 complete breakdown of the liability exposure for Defendant if Plaintiff succeeded on each of his claims
20 at trial.

21 63. Plaintiff conducted a thorough investigation and discovery into the merits and legal basis
22 of Plaintiff's meal and rest break claims, unpaid wage claims, reimbursement claims, and wage statement
23 claims and performed significant legal research with respect to the applicable law and potential defenses
24 raised by Defendant to each of these claims.

25 64. I believe that the documents and information exchanged and analyzed by the parties
26 through formal and informal discovery, as well as the parties' discussions during mediation, are sufficient
27 for the parties to make an informed decision about a fair resolution of this action at this time. It was not
28 until after months of investigation, the review of calculations and valuations of each claim by counsel for

both parties and the mediator, and consideration of all the risks of continuing litigation, that the parties agreed to accept \$1,950,000.00 in settlement of all of the class and representative claims presented in the operative Complaint.

**CLASS COUNSEL’S EVALUATION OF THE CLASS AND PAGA CLAIMS FOR
SETTLEMENT PURPOSES**

65. I believe the Settlement of \$1,950,000.00 provides a real and substantial benefit to the Class Members considering the highly disputed nature of the claims. Our determination of a fair value of the settlement was based on a number of factors, including our investigation of the applicable law as it applied to the facts discovered, the suitability of the case for class treatment, Plaintiff’s claims and the associated damages, as well as Defendant’s potential defenses thereto.

66. The parties have performed a thorough study of the law relating to the claims alleged in this litigation. Based on that investigation and discovery, and taking into account the heavily contested issues, the expense and time necessary to pursue prosecution and defense of this action through trial, the risks and costs of further prosecution of this action, the uncertainty of complex class action litigation and PAGA actions, the fairness and reasonableness of the settlement agreed to by the parties, and the best interest of the class members to whom substantial benefits will accrue, the parties have agreed to the terms described in the Settlement Agreement.

67. Our firm utilized Defendant’s time and payroll records to calculate the average regular rate of pay, average overtime rate, average shift length, and average number of shifts per workweek. Also, our firm calculated the percentage of shifts over 3.5 hours and over 6 hours for purposes to calculate the meal and rest period premiums potentially owed to the putative class members. Finally, we determined the violation rates using the time and payroll records and interviewing putative class members.

68. We calculated the maximum potential damages and penalties owed to putative class members at **\$23,180,479.00**, using the following methodology:

- | | | |
|----|-------------------------------|---|
| a. | <u>Rest Period Violations</u> | |
| | 90% | (Violation rate based on interviews) |
| x | 99% | (Approximate percentage of shifts greater than 3.5 hours) |
| x | 4.6 | (Average number of shifts per workweek) |

x 92,382 (Workweeks provided by Defendants and agreed upon in the Settlement)

x \$18.67 (Average hourly regular rate of pay)

= \$7,067,888.15

b. Meal Period Violations

50% (Violation rate based on interviews)

x 90% (Approximate percentage of shifts greater than 6 hours)

x 4.6 (Average number of shifts per workweek)

x 92,382 (Number of workweeks)

x \$18.67 (Average hourly regular rate of pay)

= \$3,569,640.48

c. Unpaid Overtime Wages (Off-the-Clock Work)

55% (Violation rate based on interviews)

x 1 hours (Average amount of unpaid overtime hours per workweek)

x 92,382 (Number of workweeks)

x \$28.00 (Average overtime rate of pay)

= \$7,113,414.00

d. Wage Statement Penalties

175 employees at any given time

x \$4000 in Labor Code 226 penalties per employee

= \$700,000.00

e. Waiting Time Penalties

[14.18 hours= Average Daily Shift Length]

8.00hrs* \$18.67= \$149.33

+ 4.00hrs* \$21.27= \$112.00

+ 2.18hrs* \$28.36= \$81.39

= \$342.72 (Amount owed per employee per average day)

x 30 days (Maximum penalty per Labor Code 203)

x 460 (Former employees)

= \$4,729,536.00

69. We calculated the maximum potential PAGA penalties owed to the aggrieved employees at \$4,249,080.00, as follows:

PAGA Penalties

a. PAGA Penalties for Rest Break Violations

100% (Violation Rate)

x \$100 (Penalty)

x 15,243 (Estimated total number of pay periods in the PAGA period)

= \$1,524,334.00

b. PAGA Penalties for Meal Period Violations

75% (Violation Rate)

x \$50 (Penalty)

x 15,243 (Estimated total number of pay periods in the PAGA period)

= \$571,625.00

c. PAGA Penalties for Failure to Pay Meal/Rest Premiums

100% (Violation Rate)

x \$100 (Penalty)

x 15,243 (Estimated total number of pay periods in the PAGA period)

= \$1,524,334.00

d. PAGA Penalties for Wage Statement Violations

100% (Violation Rate)

x \$100 (Penalty)

x 15,243 (Estimated total number of pay periods in the PAGA period)

= \$1,524,334.00

e. PAGA Penalties for Overtime Violations

82.5% (Violation Rate)

x \$50 (Penalty)

x 15,243 (Estimated total number of pay periods in the PAGA period)

= \$628,788.00

70. The violation rates were hotly disputed by Defendant, who claimed it complied with all wage and hour laws. The average hourly rates of pay were calculated using the payroll records obtained from Defendant and were compared to Defendant's own calculations.

71. The total maximum value of Plaintiff's class and PAGA claims, assuming complete and total success on every disputed point, has been calculated by my firm to be approximately \$27,242,749.00, with \$3,186,810.00 going to the LWDA pursuant to the PAGA, and \$24,242,749.00 to the putative class members and Aggrieved Employees.

72. In calculating Defendant's maximum potential exposure in this matter, we assumed that Plaintiff Johnson would successfully oppose Defendant's motion to compel arbitration, that class certification would be granted in its entirety, that Plaintiff would prevail on all claims at trial, and that Plaintiff would recover the full amount of the damages, statutory and civil penalties sought. This calculation also assumes that PAGA penalties can be stacked—a practice now proscribed by the new PAGA legislation. Accordingly, the estimated value of Plaintiff's claims was premised on an inflated "everything goes right" scenario and was vulnerable to being substantially devalued.

73. Although we assumed an inflated "everything goes right" scenario for purposes of the evaluation of the value of the claims for mediation, Plaintiff recognizes the risks of possible adverse rulings on liability, and damages on class and representative claims asserted. Plaintiff further anticipates that protracted litigation would also involve numerous depositions, written discovery, law and motion practice, and trial, all of which would involve significant additional time and expense for all involved.

74. If we assume a 50% change of success at class certification (or assume that only ½ the claims are certified) and also assume a 50% chance of likelihood of success on the merits, the total exposure decreases to \$6,060,687.25. This presents a more realistic exposure analysis given the uncertainty of trial.

75. The gross settlement amount ("GSA") of \$1,950,000.00 (which excludes payroll taxes) is reasonable given the maximum potential exposure of \$27,242,749.00 and a discounted exposure value of \$6,060,687.25, considering the substantial and significant risks that Plaintiff and class members face in this litigation as Defendant has legitimate defenses to both class certification and the merits of the claims.

76. For example, we considered the risk that the Court might grant Defendant's motion to compel arbitration of Plaintiff's individual claims, precluding Plaintiff from bringing this class action altogether. Plaintiff also considered the significant risk that the Court may deny class certification and/or reverse a favorable ruling on appeal. Moreover, Defendant maintained facially lawful policies for meal breaks, rest breaks, timekeeping, and compensation of wages; and further compensated some class members premium wages for some of the alleged meal period violations. Thus, Plaintiff would need to show that Defendant undermined its formal policies by way of a common practice of wage and hour violations that was uniform among many different non-exempt positions. Similarly, Plaintiff would have faced challenges presenting common proof of the claims and damages stemming from allegations that Plaintiff and class members were required to work off-the-clock absent time records confirming these allegations. These risks are obviated by the \$1,950,000.00 settlement fund.

77. I believe the settlement of the civil penalties claim under PAGA in the amount of \$50,000.00 from the GSA of \$1,950,000.00 is reasonable under the circumstances because it is part of a larger overall settlement that will serve the primary law enforcement objectives of the PAGA.

78. Furthermore, as with the imposition of any penalties under PAGA, there was a very real risk that even if Plaintiff was successful on the liability issue on all the PAGA claims alleged, the Court may further reduce Plaintiff's civil penalties under Labor Code section 2699(e)(2), and it was likely that, given the attenuated nature of some of the claims, the Court would, in its discretion, limit the award as unjust, arbitrary, and oppressive, or confiscatory.

79. Plaintiff would have also faced several challenges in prevailing on his class wage and hour claims on the merits. Specifically, Plaintiff risked that: (1) the Court would find class members have been paid all wages due; (2) the Court would find that any off-the-clock work was done without Defendant's knowledge; (3) the Court would find Defendant did not willfully fail to pay all wages upon termination of employment; (4) the Court would find Defendant had not intentionally failed to comply with wage statement requirements; and (5) Plaintiff's damages calculations could be substantially undercut at trial. Further, even if Plaintiff were successful in proving the merits of the class action claims, Defendant would likely submit an appeal, thereby both risking the decision overturned or substantially delayed.

80. Thus, while the settlement amount represents a discount on the overall exposure to

1 Defendant, assuming Plaintiff prevailed on the motion to compel arbitration and all issues pertinent to
2 class certification, established liability on all claims, and proved damages 100% as estimated, this
3 reduction in compromise is extremely reasonable considering the substantial risks Plaintiff faces in
4 maintaining class certification and establishing liability on all claims, on behalf of all class members,
5 against Defendant.

6 81. Moreover, continued class action and representative litigation would be extremely
7 expensive, and litigation costs were expected to exponentially increase as the parties prepared for trial.
8 Similarly, absent a Settlement, the parties would face additional years of litigation and a substantial delay
9 in any potential recovery by the Class Members. Absent a settlement, the parties would likely spend
10 considerable time, effort, and money on discovery, motion practice, and trial. The parties would have to
11 undergo extensive and time-consuming discovery, including additional discovery related to class
12 certification, and the merits if the case did not settle. The parties have yet to complete formal discovery,
13 conduct witnesses' depositions, retain experts and conduct expert depositions, and prepare class-wide
14 damages analysis for trial purposes, among other things.

15 82. I further anticipate Plaintiff may have to file several motions to compel discovery. There
16 would also be a motion for class certification and/or motion for decertification. I also believe the parties
17 may have to file cross motions for summary judgment and several motions in limine prior to the trial.

18 83. Indeed, even if Plaintiff certified the class, and proved all the class claims at trial and
19 recovered close to the full amount of damages as estimated, it is likely that Defendant would appeal any
20 judgment in Plaintiff's favor, potentially drawing out the litigation for many more years with no guarantee
21 of recovery by Plaintiff or the Class. As a result, the parties would incur considerably more attorneys' fees
22 and costs through trial and any anticipated appeal. This settlement avoids all those risks, and the
23 accompanying expense, and instead provides immediate and substantial monetary relief.

24 84. The \$1,950,000.00 GSA provides a real and substantial benefit to Plaintiff, the Class and
25 the Aggrieved Employees, estimated in a gross amount of \$19.19 per workweek—calculated by dividing
26 the GSA \$1,950,000.00 by the 101,620 estimated workweeks.

27 85. The Parties estimate the Net Settlement Amount at \$1,196,750.00, after deducting Class
28 Counsel's fees and costs, administration costs, the incentive award, and the PAGA payment. Therefore,

1 the net value per workweek to the putative class members is estimated at \$11.78 per workweek—
2 calculated by dividing the net estimated settlement amount \$1,196,750.00 by the 101,620 estimated
3 workweeks.

4 86. This is an excellent result considering the highly disputed nature of the claims and the risks
5 associated with continued litigation discussed herein. Plaintiff and Class Counsel acknowledge the cost
6 and delay of continued proceedings necessary to prosecute the action through trial and appeal and, in
7 bringing this action, carefully considered the uncertain outcome and the risks associated with any
8 litigation, particularly in complex actions such as this one.

9 87. Based on my experience litigating almost exclusively wage and hour claims, I believe for
10 settlement purposes it would be appropriate to discount the value of the class claims to represent the risks
11 of maintaining class certification, the risks of prevailing at trial, and the risks associated with any
12 subsequent appeals. The settlement amount of \$1,950,000.00 is a fair and reasonable compromise of the
13 claims alleged in this litigation, based on the strengths and weaknesses of the claims and the avoidance of
14 further risk, and the time and expense of pursuing the claims.

15 **THE SETTLEMENT TERMS**

16 88. The Class is defined as all current or former employees of Defendant who performed work
17 as non-exempt employees from October 14, 2020, through the end of the Class Period. See Ex. 1, SA. ¶
18 1.2.1. The total class size is approximately 1,267 non-exempt employees. The Waiting Time Subclass is
19 defined as all Class Members who were employed by Defendant and who separated from their
20 employment at any time from October 14, 2020, through the date of Preliminary Approval of the
21 Settlement. SA ¶ 1.2.2. Waiting Time Subclass Members will be credited with six (6) additional
22 compensable workweeks. SA ¶ 4.3.3.

23 89. The Class Period is defined as from October 14, 2020 through the earlier of: (1) the date
24 the Court grants preliminary approval, or (b) the date upon which the total number of workweeks from
25 October 14, 2020, forward equals 101,620 workweeks. SA. ¶ 1.9. The Alternative End Date is the last day
26 on which the workweeks worked by Class Members do not exceed 101,620; Defendant may elect to
27 shorten the Class Period on this day. SA. ¶ 4.1.1.

28 90. Class Members do not have to do anything to participate in the Settlement. Each Class

Member will automatically receive his or her Individual Class Payment unless they submit a timely and valid Request for Exclusion. SA. ¶ 8.6.

91. Gross Settlement Amount: Defendant will pay a sum of \$1,950,000.00 to resolve all claims in the litigation. SA. ¶ 4.1. This amount does not include Defendant's share of all state and federal payroll taxes, which Defendant will pay separately and apart to the Settlement Administrator. SA. ¶ 4.1.2. None of the Gross Settlement Amount will revert to Defendant. SA. ¶ 4.1.

92. Net Settlement Fund: The term Net Settlement Fund means the amount of funds available for distribution to the Settlement Class after deducting from the Gross Settlement Amount the following amounts: (i) the attorneys' fees and costs awarded to Class Counsel; (ii) the costs awarded to the Settlement Administrator; (iii) the incentive award to Plaintiff as provided herein, (iv) the PAGA payment to the LWDA, and (v) payment to the PAGA Employees. SA. ¶ 4.2. Any portions of the requested Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, and the PAGA Payment that are not awarded by the Court shall be added to the Net Settlement Fund. SA. ¶ 6.4.

93. Assuming the Court awards the full amount of the requested Class Representative Service Payment to Plaintiff, the Settlement Administrator's costs, Class Counsel's attorney's fees and costs, and the PAGA Payment, the total Net Settlement Fund available for distribution to Settlement Class Members will total approximately \$1,196,750.00.

94. The Net Settlement Fund is calculated as the Gross Settlement Amount, \$1,950,000.00 less the following amounts:

a. Attorneys' Fees	\$650,000.00
b. Litigation Costs	\$30,000.00
c. Service Award	\$10,000.00
d. Payment to LWDA for PAGA	\$37,500.00
e. Payment to PAGA Employees	\$12,500.00
f. Administration Fees	\$13,250.00

95. Settlement Administration Costs: These are the direct and actual costs, not to exceed \$13,250.00, reasonably charged by the Settlement Administrator for performing its obligations under the

1 Settlement, including the cost of preparing and mailing the Class Notice to the Settlement Class,
2 preparation of required tax reporting forms and withholding of required taxes, and any fees and costs
3 included or charged by the Settlement Administrator in connection with the execution of its duties under
4 this Settlement. SA. ¶ 4.8. The parties selected Apex Class Action, LLC to serve as the Settlement
5 Administrator after receiving different administration bids from other Settlement Administrators.

6 96. PAGA Award: The parties agreed to allocate the sum of \$50,000.00 to settle the claims for
7 civil penalties pursuant to PAGA. SA. ¶ 4.7. This amount was negotiated in good faith and was not the
8 result of self-interest at the expense of Class Members. Of this amount, 75% (\$37,500.00) will be paid to
9 the LWDA from the Gross Settlement Amount to cover the State of California's share of the total penalty
10 amount, with the remaining 25% (\$12,500.00) made available for distribution to PAGA Employees,
11 defined as all current or former employees of Defendant who performed work in California at any time
12 between October 14, 2020, through the date of preliminary approval. SA. ¶¶ 1.22, 1.23, 1.24, 4.7. PAGA
13 Employees will receive a pro rata share of the PAGA Penalties based on the number of qualifying
14 workweeks during the PAGA Period. SA. ¶ 4.7.2.

15 97. The parties agreed that \$50,000.00 would allow recovery for the LWDA, while ensuring
16 Aggrieved Employees and Class Members receive significant compensation.

17 98. The Class Representative Service Award to Plaintiff: In recognition of his efforts in
18 obtaining the benefits for the Class, Plaintiff will request a Class Representative Service Award of
19 \$10,000.00. SA. ¶ 4.6.. Defendant does not oppose this request. *Id.*

20 99. Class Counsel's Attorney's Fees and Costs: Class Counsel will seek an award of fees and
21 costs for the services rendered and yet to be rendered on behalf of the Class. Class Counsel will seek, and
22 Defendant will not oppose, an award of \$650,000.00 for attorney's fees (equal to one-third of the Gross
23 Settlement Amount), and the reimbursement of reasonable litigation costs actually incurred, in an amount
24 not to exceed \$30,000.00. SA. ¶¶ 4.4, 4.5.

25 100. Calculating Class Members' Individual Class Payments: Class Members will be paid their
26 Individual Class Payments from the Net Settlement Amount, which is currently estimated to be
27 \$1,196,750.00.

28 101. The Individual Class Payments will be calculated based on the respective number of

1 qualifying workweeks each participating class member worker during the class period. (SA ¶ 4.3.1.) A
2 “Qualifying Workweek” is any week a participating class member actively worked at least one day of the
3 week in California during the class period. SA. ¶ 1.28.

4 102. Defendant will provide to the Settlement Administrator the number of Qualifying
5 Workweeks worked by each Class Member. SA. ¶ 8.1.

6 103. Class Members who worked a larger number of workweeks and presumably experienced
7 more violations would receive a larger portion of the Settlement, thereby treating all Class Members
8 equitably and fairly.

9 104. Class Counsel does not currently know the exact number of workweeks worked by each
10 individual Class Member. However, for purposes of this Motion, Defendant has represented that there are
11 approximately 101,620 compensable workweeks for the entire Class during the Class Period. If the Court
12 approves all the payments to the Class Counsel for attorney’s fees and costs, and awards the requested
13 Service Award to Plaintiff, Class Counsel estimates the Net Settlement Amount to be \$1,196,750.00.
14 Thus, Class Counsel estimates that Class Members will receive is approximately \$ \$11.78 per workweek.

15 105. If all estimated 1,267 settlement Class Members participate in the settlement (i.e., do not
16 submit a Request for Exclusion), the average payment would be approximately \$944.55 for each Class
17 Member.

18 106. I believe the Settlement provides the fairest way to distribute the Settlement proceeds to
19 Class Members, by calculating each Class Member’s share of the Settlement proceeds based on the
20 number of workweeks worked by each Class Member during the Class Period. This method takes into
21 consideration the length of time each Class Member worked for Defendant and the number of violations
22 they presumably suffered during the Class Period.

23 107. I also believe the Settlement provides substantial monetary relief to the Class Members.
24 The recovery of approximately \$944.55 per Class Member is an extraordinary result for the hotly contested
25 meal and rest period claims, minimum and overtime wage claims, and the related statutory and civil
26 penalties claims in this action.

27 108. Release by Class Members: Upon Defendant’s funding of the Gross Settlement Amount
28 and all employer payroll taxes, all Participating Class Members, on behalf of themselves and their

1 respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors,
2 and assigns, release Released Parties from any claims, wages, premiums, fringes, liquidated damages, or
3 penalties alleged or that could have been alleged against Released Parties arising out of the facts,
4 circumstances, and primary rights at issue in the Operative Complaint and any amendments, including all
5 claims for: 1) failure to pay all minimum or other wages; 2) failure to pay all overtime wages; 3) meal
6 period violations and claims for meal period premium pay; 4) rest period violations and claims for rest
7 period premium pay; 5) failure to pay all wages during employment and upon termination; 6) failure to
8 furnish accurate itemized wage statements; 7) failure to maintain accurate records; 8) failure to reimburse
9 expenses, and 9) Unfair Competition Law violations. SA. ¶ 12.2. Class Members will only release these
10 claims during the Class Period. *Id.* Except as to the PAGA Release, Class Members will not release any
11 other claims, including claims for vested benefits, unemployment insurance, disability, social security,
12 workers' compensation, or claims based on facts occurring outside the Class Period. *Id.*

13 109. PAGA Release: Upon funding of the Gross Settlement Amount, all PAGA Employees will
14 release the Released Parties of all claims and damages arising under Private Attorney's General Act of
15 2004 ("PAGA") based on the facts alleged in the operative Complaint, which includes the Amended
16 Complaint filed as part of this settlement, and the PAGA Notice and ascertained in the court of the Action,
17 including, all claims for 1) failure to pay all minimum or other wages; 2) failure to pay all overtime wages;
18 3) meal period violations and claims for meal period premium pay; 4) rest period violations and claims
19 for rest period premium pay; 5) failure to pay all wages during employment and upon termination; 6)
20 failure to furnish accurate itemized wage statements; 7) failure to maintain accurate records; and 8) failure
21 to reimburse expenses. SA. ¶ 12.1. The PAGA Release will release only these claims during the PAGA
22 Period, regardless of the Aggrieved Employee's decision to participate in the Class Settlement. *Id.*

23 110. Release By Named Plaintiff: Plaintiff agrees to provide a broader and separate general
24 release of any and all claims against the Released Parties in exchange for the Class Representative
25 Incentive Award of \$10,000. SA. ¶¶ 4.6, 4.6.3, 4.6.4.

26 111. Taxation and Withholding. The Parties agree that the individual settlement payments shall
27 be classified as 10% wages, 45% interest, and 45% statutory penalties. Payments allocated to wages will
28 be reported on an IRS W-2 form. SA. ¶ 4.3.4. Payments allocated to interest and/or statutory penalties will

1 be reported on a IRS 1099 form. *Id.*

2 112. Settlement Effective Date or Effective Date: The Settlement shall become effective after
3 the Court grants final approval if there are no objections. SA. ¶ 1.11. The final approval is the latest of the
4 following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court
5 grants final approval; (b) if one of more Participating Class Members objects to the Settlement, the day
6 the order granting final approval is no longer appealable or the final resolution of any appear in any favor
7 approving the Settlement. *Id.*

8 113. Settlement Funding Schedule: The Gross Settlement Amount shall be paid by Defendant
9 in one payment into an account established by the Settlement Administrator as a “Qualified Settlement
10 Fund.” SA. ¶ 10.1. Defendant shall fund the Qualified Settlement Fund no later than 7 calendar days after
11 the Effective Date. *Id.* The Settlement Administrator shall distribute the Settlement no later than 7 calendar
12 days after Defendant fund the Gross Settlement Amount. SA. ¶ 10.2.

13 114. Disposition of Unclaimed Funds: Settlement checks will remain valid for 180 days after
14 the date of mailing. SA. ¶ 6.6, 11.3. For any Class Member whose Individual Class Payment check or
15 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall
16 transmit the funds represented by such checks to the California State Controller’s Office in the name of
17 the Class Member, thereby leaving no “unpaid residue” subject to the requirements of California Code of
18 Civil Procedure Section 384, subd. (b). SA. ¶ 11.4.

19 **CLASS NOTICE AND NOTICE PLAN**

20 115. A true and correct copy of the proposed Class Notice is attached as Exhibit A to the
21 Settlement Agreement.

22 116. The Class Notice is accurate and informative. The Class Notice summarizes the lawsuit,
23 including the contentions and denials of the parties, the proceedings to date, and the terms and conditions
24 of the Settlement in plain language in an informative and coherent manner. The Class Notice also fully
25 informs Class Members of the terms of the Settlement, of its effect on their rights, of their options as Class
26 Members (i.e., to object, opt out or request exclusion of the settlement, or do nothing and receive
27 payment), and of the consequences of exercising those options. The Class Notice also outlines the
28 procedure and deadlines for requesting exclusion of the Settlement and for submitting objections to the

1 Settlement. The Class Notice notifies Class Members of their reported compensable workweeks and the
2 estimated Individual Class Payment they will receive if the Settlement is finally approved. The Notice
3 further explains the process to dispute the number of qualifying workweeks/pay periods reported by
4 Defendant and how to contact the Settlement Administrator in the event they want more information.

5 117. The Class Notice also states the amount of the proposed service award to be paid to the
6 Class Representative; states the amount of Class Counsel's request for attorney's fees; states the amount
7 in costs to be paid to the Settlement Administrator; states the amount to be paid to the LWDA; states the
8 date, time and place of the final approval hearing; and explains how Class Members can obtain additional
9 information, including from a static website that the Settlement Administrator will maintain.

10 118. Furthermore, the Class Notice also makes clear that the Settlement does not constitute an
11 admission of liability by Defendant, that the Court has not ruled on the merits of the action, and that the
12 final settlement approval decision has yet to be made.

13 119. The parties agreed to hire Apex Class Action, LLC ("Apex"), an experienced third-party
14 administrator, to serve as the Settlement Administrator. Prior to selecting Apex as the Settlement
15 Administrator, the parties obtained competitive bids from other third-party settlement administrators, and
16 went with Apex because they provided the lowest bid and provide quality work.

17 120. In addition, Class Counsel negotiated two separate methods of address verification for the
18 Class Members prior to the mailing of the Class Notice. The Settlement Administrator shall perform a
19 National Change of Address (NCOA) search, as well as an Accurint® (or substantially similar) in-depth
20 skip trace to attempt to obtain the best possible address for the Class Members. Accurint® is a search
21 database that provides a much more reliable updated address than an NCOA search alone, as it attempts
22 to locate individuals using information from credit bureaus and public records. Whereas an NCOA search
23 requires Class Members to maintain an updated address with the U.S. Postal Service, the Accurint® search
24 will locate newer addresses for Class Members who, for example, recently applied for a credit card or
25 have an account with a utility company. Moreover, the Settlement Administrator will perform a second
26 in-depth search if any Class Notice is returned as undeliverable without a forwarding address.

27 121. Class Members who wish to exclude themselves from the Class Settlement must send the
28 Settlement Administrator, by fax or mail, a signed written Request for Exclusion not later than 45 calendar

1 days after the Administrator mails the Class Notice (plus an additional 10 calendar days for Class Members
2 whose Class Notice is re-mailed). SA. ¶ 9.2.

3 122. Class Members may send written objections to the Settlement Administrator by mail and
4 file with the Court. SA. ¶ 9.3.1. A Class Member who elects to send a written objection to the Settlement
5 Administrator must do so no later than 45 calendar days after the Administrator's mailing of the Class
6 Notice (plus an additional 10 calendar days for Class Members whose Class Notice was re-mailed). *Id.*

7 123. The Response Deadline is 45 calendar days following the initial mailing of the Notice. Any
8 Class Member who properly requests exclusion using this procedure will not receive any payment from
9 the Net Settlement Amount and will not be bound by the Settlement. Class Members who do not submit
10 a valid and timely Request for Exclusion, however, shall be bound by all terms of the Settlement and any
11 judgment entered in the litigation once the Settlement is approved by the Court.

12 124. The proposed notice plan, calling for first-class mailed notice to all Class Members, as well
13 as in-depth skip tracing at the outset and further in-depth skip tracing on Class Notices returned without a
14 forwarding address, is consistent with class notices approved by state and federal courts, and under the
15 circumstances here, is the best notice practicable and the method most likely to reach the greatest number
16 of Class Members.

17 **CLASS COUNSEL'S FEES AND COSTS ARE REASONABLE**

18 125. Class Counsel will request an attorneys' fee award in the amount of one-third of the Gross
19 Settlement Amount (i.e., \$650,000.00) and reimbursement of actual litigation costs.

20 126. The fee is warranted and reasonable because of the substantial work and effort Class
21 Counsel incurred to achieve the Settlement on behalf of the Class and the real and significant monetary
22 relief obtained. To date, Class Counsel has spent significant time and effort on the following tasks:

- 23 a. meeting and interviewing Plaintiff;
- 24 b. preparing and sending pre-litigation letters to Defendant requesting documents and
25 Plaintiff's employment files;
- 26 c. reviewing Plaintiff's documents and employment files;
- 27 d. preparing and filing claim letters to the Labor and Workforce Development Agency;
- 28 e. preparing and filing the initial Complaint and First Amended Complaint;

- f. preparing for and participating in mediation, including reviewing and analyzing thousands of time and pay records and preparing a comprehensive damages analysis;
- g. conducting witness interviews in preparation for the mediation,
- h. performing extensive legal and factual research; and
- i. preparing and finalizing the settlement agreement, among others.

127. Class Counsel anticipates engaging in substantial additional work on behalf of the Class if the Settlement gets preliminary approved, including work overseeing the notice process, reviewing and approving the individual payment calculations prepared by the Settlement Administrator, and answering questions Class Members might have about the Settlement.

128. The fee request at final approval will be supported by a detailed explanation of the qualifications of each timekeeper, and their corresponding hourly rate, along with an explanation of the amount of time worked on the various tasks performed on behalf of Plaintiff and the Class. Similarly, the expenses request will be supported at the time of final approval with an explanation of the amount and nature of the expenses incurred.

129. In making a fee request in class actions such as this, I always analyze the factors that the court must consider in awarding fees. I believe that such circumstances exist here justify the requested attorney's fees award of one-third, including: (a) the skilled work involved in achieving such a good settlement for the Class and bringing the action to an efficient and speedy conclusion; and (b) the associated risks in taking this matter on a contingency basis. In light of these considerations, I believe Class Counsel's requested fee of \$650,000.00 is reasonable.

130. Although case law supports as high as a 50% fee award on common settlement funds of less than \$10 million, Class Counsel's request for an attorney fee award of \$650,000.00, representing one third of the Gross Settlement Amount, is both "reasonable and fair" in light of the amount of work performed and the amount of resources and labor employed in the prosecution of this action. Based on my experience and knowledge of the relevant legal market for wage and hour class actions, these amounts accurately reflect the marketplace for similar representation of plaintiffs in wage and hour cases on a contingency basis.

131. Class Counsel is also seeking an award of costs actually incurred in the prosecution of this

1 action. Even though Class Counsel is estimating \$30,000 in Costs for purposes of this motion, Class
2 Counsel will only seek to recover the costs already incurred in the litigation.

3 132. All costs incurred were necessary to the prosecution of this action, would normally have
4 been billed to a client paying for my firm's services on a non-contingency basis, and are reasonable for a
5 case such as this, in which substantial discovery and investigation took place for more than two years
6 since the filing of the Complaint. Class Counsel will provide more details about its request for fees and
7 costs in its attorney fees and costs motion, which will be heard at the same time as Final Approval.

8 133. I believe that the fees and expenses requested are fair, reasonable, and necessarily incurred
9 in pursuit of the settlement. I believe that the time spent working on this case by attorneys and paralegals
10 at my firm reflect the reasonable and necessary amount of time to properly represent the interests of the
11 Class.

12 **THE CLASS REPRESENTATIVE INCENTIVE AWARD IS REASONABLE**

13 134. The Settlement Agreement provides that Plaintiff can request, and Plaintiff does so request,
14 a Service Award in the amount of \$10,000.00, which will be in addition to the Individual Class Payment
15 and Individual PAGA Payment that he is entitled to receive as a Class Member.

16 135. As will be set forth in the accompanying memorandum of points and authorities that
17 Plaintiff will file in support of the Motion for Final Approval, such service awards are routinely made in
18 wage and hour class actions like this case, particularly when, as here, Plaintiff initiated the action by
19 seeking legal assistance from Class Counsel; assisted with the preparation of the LWDA letters, the
20 complaint and amendments thereto, and witness questionnaire; regularly communicated with Class
21 Counsel via telephone and email; provided relevant documents; identified potential witnesses; attended a
22 mediation; and worked closely with Class Counsel throughout this litigation to protect the best interests
23 of the Class.

24 136. Plaintiff's participation was an essential element that allowed Class Counsel to reach a
25 settlement. I believe other Class Members would not have taken any action individually, and they would
26 not have received the compensation afforded by this Settlement but for Plaintiff's contribution.

27 137. Plaintiff also assumed the risk of an adverse judgment and the financial responsibility of
28 such judgment by bringing and maintaining the action. By stepping forward as the class representative, he

1 jeopardized the availability of prospective employment because her name is now associated with a lawsuit
2 against her former employer.

3 138. Furthermore, under the terms of the Settlement, Plaintiff will execute a general release of
4 claims, which is an expansive release that was not required of other Class Members, who will execute a
5 limited release of claims.

6 139. In addition to the enhancement payment, Plaintiff entered into a separate confidential
7 Individual Settlement Agreement regarding claims under the Fair Employment and Housing Act.
8 Plaintiff's individual claims existed independently and apart from claims at issue in the Class and
9 Representative Action. The settlements were negotiated separately and at no time did these individual
10 claims pose a conflict of interest with the wage and hour claims at issue in the Class and Representative
11 Action.

12 140. I believe that the requested incentive award in the amount of \$10,000.00 for Plaintiff is fair
13 and reasonable, and is in line with awards granted in similar actions.

14 **PROVISIONAL CERTIFICATION OF THE CLASS IS APPROPRIATE**

15 141. For the purposes of settlement only, Plaintiff contends, and Defendant does not dispute,
16 that provisional certification of the Class is appropriate.

17 142. The class definitions are precise, objective and presently ascertainable, and make
18 abundantly clear who is a class member.

19 143. Class Members can be identified easily by way of Defendant's records, which include
20 Class Members' full names, dates of employment during the Class Period; social security numbers; the
21 amounts of payments made to Class Members; mailing addresses; and telephone numbers.

22 144. Defendant has identified approximately 1,267 putative class members. Thus, the proposed
23 Class satisfies the numerosity requirement.

24 145. During the informal exchange of information, Defendant produced Plaintiffs' personnel
25 file, timekeeping and payroll records, employee handbooks, and standalone policies and procedures that
26 Plaintiff contend were applicable to all Class Members during the Class Period. After reviewing the
27 documents and data produced, I believe common issues of fact and law predominate as to each of the
28 claims alleged on behalf of Class Members. All Class Members were subject to the same policies and

1 procedures throughout the Class Period, and the legality of these policies and practices raise common
2 questions applicable to all Class Members. As such, common issues of fact and law exist as to all Class
3 Members and predominate over any individualized issues affecting the Class.

4 146. At all times during his employment with Defendant, Plaintiff worked as non-exempt
5 employee and was subject to the same policies and procedures as other Class Members. Therefore,
6 Plaintiff's claims are typical of the Class he seeks to represent because he was subject to the same alleged
7 illegal policies, procedures, practices, and course of conduct as Class Members.

8 147. Throughout the pendency of this litigation, Plaintiff has had no conflict of interest with the
9 Class and has, along with Class Counsel, worked toward a positive resolution of this case for over
10 two years, demonstrating his dedication to prosecuting this action and obtaining the best possible recovery
11 for the Class. Plaintiff can and will adequately represent the interests of all Class Members because
12 Plaintiff seeks to obtain the same relief as all other Class Members: full compensation and penalties due
13 to her. Since all Class Members need to demonstrate the same elements to recover on their claims, the
14 interests of Class Members are sufficiently aligned with those of Plaintiff's, and Plaintiff can be expected
15 to pursue the interests of all Class Members adequately. In addition, Plaintiff retained counsel with
16 extensive experience in prosecuting complex wage and hour class actions who have worked diligently to
17 obtain the proposed settlement for the Class.

18 148. I believe that this case could not have continued without Plaintiff's efforts and desire to
19 obtain this positive result for the Class. There are no conflicts between Plaintiff and his Counsel and Class
20 Members.

21 149. By consolidating more than 1,267 potential individual actions into a single proceeding, this
22 Court's use of the class action device enables it to manage this litigation in a manner that promotes a better
23 use of the time, effort, and expense for the litigants and the judicial system. Absent class treatment,
24 similarly situated employees with small, but nevertheless potentially meritorious claims for damages
25 would, as a practical matter, have no means of redress because of the time, effort, and expense required
26 to prosecute individual actions. Accordingly, I believe class treatment is superior to other available
27 methods for the fair and efficient adjudication of the controversy.

28 150. It is my opinion that this Settlement Agreement is fair, reasonable and adequate, and in the

1 best interest of the Class. The Settlement is a good result by any measure, particularly considering
2 Defendant's formidable arguments against liability and damages. In light of these issues, and the fact that
3 the settlement was the product of protracted, contentious, and arm's-length negotiations between highly
4 experienced counsel with the assistance of a well-respected neutral third-party mediator, I believe that the
5 settlement should be preliminarily approved.

6 I declare under penalty of perjury under the laws of the state of California and the United States
7 that the foregoing is true and correct. Executed on May 21, 2025, in San Diego, California.

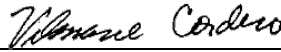
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EXHIBIT 1

CLASS AND PAGA REPRESENTATIVE ACTION

SETTLEMENT AND RELEASE

This Class and PAGA Representative Action Settlement and Release (“Settlement”) is entered into by and between Plaintiff John Johnson (“Plaintiff”), individually, and on behalf of the Class (as defined herein) and the Aggrieved Employees, and Defendant Sun Auto Tire & Service, Inc., f/k/a GB Auto Service, Inc., (“Defendant” or “GB Auto”) (collectively the “Parties”) with regard to the following action pending in the Superior Court of California, County of San Diego entitled *John Johnson v. GB Auto Service, Inc., et al.*, Case No. 37-2022-00041423-CU-OE-CTL, subject to the terms and conditions herein and the approval of the Court.

1. DEFINITIONS

1.1 “Action” means the civil action entitled *John Johnson v. GB Auto Service, Inc., et al.*, Case No. 37-2022-00041423-CU-OE-CTL, pending in the Superior Court of California, County of San Diego.

1.2 Class Definitions:

1.2.1 “Settlement Class” or “Class” means all current and former employees of GB Auto who performed work as non-exempt employees from October 14, 2020, through the end of the Class Period. The term “Class Member(s)” refers to individual(s) who are among those included in this definition.

1.2.2 “Waiting Time Subclass” means all Class Members who were employed by GB Auto and who separated from their employment at any time from October 14, 2020, through the date of Preliminary Approval of the Settlement.

1.3 “Class Counsel” means the attorneys for the Class members, Hali M. Anderson and Vilmarie Cordero of GrahamHollis APC, 3555 Fifth Avenue, San Diego, California 92103.

1.4 “Class Counsel Attorney Fees” means the attorneys’ fees incurred and to be incurred by Class Counsel in the Action. Defendant will not object to Class Counsel’s request of Attorney’s Fees in an amount not to exceed \$650,000.

1.5 “Class Counsel’s Costs” means all costs incurred and to be incurred by Class Counsel in this Action. Defendant will not object to a reasonable request from Plaintiff’s counsel to be reimbursed for actual out-of-pocket costs not to exceed \$30,000.

1.6 “Class Notice” means the Court-approved Notice of Proposed Class Action Settlement, substantially in the form attached hereto as **Exhibit A**.

1.7 “Class Representative” or “Plaintiff” means named Plaintiff John Johnson.

1.8 “Class Representative Service Award” means the sums to be paid from the Gross Settlement Amount to Plaintiff in recognition for his efforts in obtaining the benefits of this Settlement and in exchange for a general release, which the Parties agree will not exceed \$10,000.

1.9 “Class Period” means the period from October 14, 2020, to the earlier of: (1) the date of preliminary approval of the settlement; or (2) the date upon which the total number of workweeks from October 14, 2020, forward equals 101,620 workweeks.

1.10 “Defendant” means Sun Auto Tire & Service, Inc., f/k/a GB Auto Service, Inc., and its predecessors, affiliates, subsidiaries, successors, assigns, administrators, agents, representatives, attorneys, officers, partners, owners, board members, directors, shareholders, trustees, and beneficiaries.

1.11 “Effective Date” means the date the Court grants Final Approval if there are no objections to the Settlement. If there is any objection to the Settlement, “Effective Date” means the date on which the Court’s order granting Final Approval is no longer appealable or the final resolution of any appeal in any favor of approving the Settlement.

1.12 “Final Approval” means the final formal court order and judgment signed by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, approving the Settlement.

1.13 “Final Approval Date” means the date upon which the Court enters Final Approval, after having determined that the Settlement is fair, adequate, and reasonable to the Class.

1.14 “Final Approval Hearing” means the hearing set by the Court to: (1) determine whether the Court should give Final Approval to this Settlement; (2) consider any objections made; (3) consider the request for attorney’s fees and costs submitted by Class Counsel; (4) consider the Settlement Administrator’s Fees; (e) consider the PAGA Payment to the LWDA and (5) consider the request for the Class Representative Service Award to Plaintiff.

1.15 “Gross Settlement Amount” (GSA) means the maximum gross settlement amount sum of \$1,950,000 that Defendant shall be required to pay pursuant to this Settlement on a non-reversionary basis, it shall include: (1) all Individual Settlement Payments to Class members; (2) the PAGA Payment; (3) the Class Representative Service Awards (4) Class Counsel’s Attorney’s Fees and Costs, and (5) all Settlement Administrator’s Fees. The Maximum Settlement Amount does not include Defendant’s share of all state and federal payroll taxes and withholdings such as FICA, FUTA, UI, ETT, and SDI (“Payroll Taxes”) on the portion of Individual Settlement Payments allocated to wages made pursuant to this Settlement, which will be paid separate and apart from the Maximum Settlement Amount.

1.16 “Individual Settlement Payment(s)” means the portion of the Net Settlement Amount that each Participating Class member shall be entitled to receive pursuant to this Settlement.

1.17 “LWDA” means the California Labor and Workforce Development Agency.

1.18 “Net Settlement Fund” (NSF) means the portion of the GSA available for distribution to Participating Class members after the deduction of the Court-approved (1) Class Counsel’s Attorney’s fees, (2) Class Counsel’s costs, (3) Settlement Administrator’s Fees, (4) Class Representative Service Award, and the (5) PAGA Payment from the GSA.

1.19 “Non-Participating Class Member” means a Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.20 “Objection/Request for Exclusion Deadline” means the forty-five (45) calendar days after the Settlement Administrator first mails the Notice to Class Members, by which date Class Members who wish to object to or exclude themselves from the Settlement must submit a timely and valid written objection or Request for Exclusion.

1.21 “PAGA” means the Private Attorneys’ General Act of 2004, Labor Code Sections 2698 – 2699.8.

1.22 “PAGA Employees” means all current and former employees of Defendant who performed work in California at any time during the PAGA Period. All PAGA Employees will receive their pro-rata share of the PAGA Payment regardless of whether they opt out of the Settlement.

1.23 “PAGA Period” means October 14, 2020, through the date of Preliminary Approval of the Settlement.

1.24 “PAGA Payment” means the \$50,000 payment from the GSA in exchange for the PAGA Release as defined in Section 12. The PAGA payment shall be allocated 75% to the LWDA and the remaining 25% going to the PAGA Employees as defined herein. The PAGA payment shall be considered 100% penalties.

1.25 “Participating Class Member” means a Class Member who does not submit a timely and valid Request for Exclusion and is entitled to receive his or her Individual Settlement Payment pursuant to the terms of the Settlement.

1.26 “Preliminary Approval” means the entry of an order by the Court preliminarily approving the Settlement.

1.27 “Qualified Settlement Fund” or “QSF” means the account set up by the Settlement Administrator and from which the Individual Settlement Payments to Participating Settlement Class Members shall be made.

1.28 “Qualifying Workweek” means any week in which a Participating Class Member actively worked at least one day of the week (i.e., was not on vacation or a leave of absence) in California during the Class Period, according to Defendant’s records.

1.29 “Released Parties” means Defendant, and its current and former subsidiaries, affiliates, successors, assigns, administrators, agents, representatives, attorneys, officers, partners, owners, board members, directors, shareholders, trustees, and beneficiaries.

1.30 “Releases” means all Releases under this Settlement, as further described in Section 12 below. Final approval of the Settlement and Defendant’s payment of the entirety of the GSA to the Settlement Administrator is a condition precedent for any Release under the Settlement becoming effective.

1.31 “Request for Exclusion” means a letter or written request to be excluded from the Settlement submitted by a Class Member to the Settlement Administrator and postmarked by the Objection/Request for Exclusion Deadline. The Request for Exclusion must include the Class member’s name and signature, current address, telephone number, and contain a statement to the effect of: “I wish to be excluded from the Johnson Settlement.”

1.32 “Settlement Administrator” means Apex Class Action LLC, the third-party entity selected by the Parties to mail the Class Notice to Class Members and perform all duties relating to the administration of the Settlement.

1.33 “Settlement Administration’s Costs” means the actual and direct fees and expenses reasonably incurred by the Settlement Administrator in administering the Settlement.

2. PROCEDURAL HISTORY

2.1 Plaintiff filed his PAGA representative action Complaint on October 14, 2022, in the San Diego Superior Court. Thereafter, the parties informally exchanged documents and information and agreed to mediate on a class wide basis prior to mediation.

2.2 On October 19, 2023, Defendant produced a sample of time and pay records for the years 2018 through 2023. Prior to mediation, Plaintiff was able to interview 25 class members.

2.3 The parties conducted significant investigation of the Class and PAGA claims prior to attending the mediation. On October 1, 2024, the Parties participated in a full day mediation before experienced class action mediator Tripper Ortman. During mediation, the Parties engaged in good-faith, arm’s length negotiations. At the conclusion of the mediation, the Parties resolved the Action, subject to the execution of this comprehensive Settlement and entry of Preliminary Approval by the Court.

2.4 As part of the resolution of this case, the Parties agreed to stipulate to the filing of an amended Complaint to add class claims consistent with the scope of the investigation of the claims in the Action. This Agreement resolves all claims alleged in the initial and any subsequent amended Complaint.

3. THE PARTIES’ POSITION IN THE ACTION

3.1 Defendant denies any liability and wrongdoing of any kind associated with the claims alleged in the Action, and further denies that the Action is appropriate for class action or PAGA representative action treatment for any purpose other than this Settlement. Defendant in no way admits any violation of law or any liability whatsoever to Plaintiff and/or the Class Members, or PAGA employees, individually or collectively; all such liability being expressly denied.

3.2 Defendant contends that it complied with all applicable California laws, including, but not limited to the California Labor Code, the IWC Wage Orders and the California Business and Professions Code.

3.3 This Settlement shall not be admissible or used for any purpose in any other action or proceeding to establish or infer liability or wrongdoing on the part of Defendant. Whether or not the Effective Date occurs, neither this Settlement nor any of its terms nor the Settlement itself will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, joint employment, or damage; or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Settlement or for Defendant to establish that a Class Member has resolved any of his/her claims released through this Settlement.

3.4 Class Counsel engaged in substantial investigation and thoroughly researched the relevant law for each of the causes of action alleged, and the defenses thereto. Class Counsel interviewed Class Members, conducted a comprehensive investigation into the facts of the Action, and reviewed and analyzed all of Defendant's applicable policies and practices, as well as the voluminous sample of time and pay records and other documents produced by Defendant.

3.5 Defendant provided to Plaintiff a sampling of additional time and payroll records from 2023-2024.

3.6 Plaintiff believes that the Action is meritorious, and that class and collective action certification is appropriate.

3.7 Class Counsel weighed the monetary benefit of the Settlement to the Class against the expense and length of continued proceedings in the trial court and potentially the appellate court that would be necessary to prosecute the Action fully against Defendant. Class Counsel also considered the uncertain outcome and risk of any further litigation, especially in a complex action such as this case. Based on the data reviewed and Class Counsel's thorough investigation and evaluation of all known facts and circumstances underlying each cause of action, including the possible risk of significant delay and uncertainty associated with litigation, and the various defenses asserted by Defendant, Class Counsel believes that the Settlement is fair, reasonable, and adequate and is in the best interest of all Class Members.

3.8 Defendant and its counsel have similarly concluded that it is desirable that the Action be settled in the manner and upon the terms and conditions set forth in this Settlement to avoid further expense, inconvenience and distraction of further legal proceedings, as well as the uncertainty of the outcome of the Action.

4. SETTLEMENT COMPONENTS

4.1 **Gross Settlement Amount (GSA).** The GSA shall consist of the non-revisionary sum of One Million, Nine Hundred and Fifty Thousand Dollars (\$1,950,000). The GSA shall be all-in with no reversion to Defendant. The GSA includes: (1) all Individual Settlement Payments

to Participating Class Members; (2) the PAGA Payment; (3) the Class Representative Service Award; (4) Class Counsel's Fees and Costs; and (5) all Settlement Administration Costs.

4.1.1 Escalator Provision. Defendant estimates there are 1267 current and former Class Members who worked about 92,382 workweeks through the date of mediation. Should the Class Members' workweeks, during the Class Period, increase beyond ten 10 percent (10%) greater than 92,382 workweeks, (i.e. 101,621 workweeks), then either (a) the Gross Settlement Sum will be increased on a pro-rata basis equal to the percentage increase in the workweeks above 10% (in other words, if the number of workweeks increases by 12%, then Defendant could elect to increase the Gross Settlement Sum by 2%); or (b) Defendant, at its sole discretion, may elect to cut off the Class Period and PAGA Period on the last day on which the workweeks do not exceed 101,620 (the "Alternate End Date").

4.1.2 Payroll Taxes. The GSA does not include the Payroll Taxes, which shall be paid by Defendant separately and apart from the GSA. The Payroll Taxes will be computed by the Settlement Administrator based on the amounts allocated as wages paid to the Participating Class Members. The Settlement Administrator shall be responsible for making all necessary payments and government filings in connection with such payments.

4.2 Net Settlement Fund (NSF). After deducting the Court-approved (1) attorney's fees and costs to be paid to Class Counsel, (2) Settlement Administrator's Fees, (3) Class Representatives Service Awards, and (5) PAGA Payment from the GSA, the remaining amount shall be the NSF, is currently estimated as follows:

GSA	\$1,950,000
Class Counsel's Fees	\$650,000
Class Counsel Costs	\$30,000
Service Award	\$10,000
Settlement Administration Costs	\$13,250
PAGA Payment	\$50,000
Net Settlement Fund Estimated	\$1,196,750

4.3 Calculation of Individual Settlement Payments. The Settlement Administrator shall have the authority and obligation to calculate the amounts of Individual Settlement Payments in accordance with the methodology set forth in this Settlement and any Orders of the Court.

4.3.1 The Class. The Parties agree that the Individual Settlement Payments will be calculated based on the respective number of Qualifying Workweeks each Participating Class Member worked during the Class Period. It shall be the duty of the Settlement Administrator to calculate the respective number of Qualifying Workweeks for each Participating Class member. Each Participating Class Member shall be entitled to a pro-rata share of the Class Allocation based on the ratio of the total number of Qualifying Workweeks that he or she worked during the Class Period to the total number of Qualifying Workweeks that all Participating Class Members worked. In addition, each Participating Class Member who is also a member of the Waiting Time Penalty Subclass will receive an allotment of six (6) additional Qualifying Workweeks. The six (6)

additional Qualifying Workweeks allotted to the Waiting Time Penalty Subclass will not be included in the total number of workweeks for purposes of the Escalator Provision.

4.3.2 Workweeks of Non-Participating Class Members will not be included in the total number of workweeks for purposes of calculating and distributing the Individual Settlement Payments to Participating Class Members

- (a) Thus, the Individual Settlement Payments shall be calculated using the formula described below:

Individual Settlement Payment = (Class Allocation) x (Participating Class Member's Qualifying Workweeks/Total No. of Qualifying Workweeks for All Participating Class Members)

- (b) Subject to approval by the court, the amounts paid to the Class members shall be classified as 10%, wages, 45% interest, and 45% statutory penalties, for tax related purposes.

4.3.3 The Waiting Time Subclass. The Waiting Time Subclass members will be each entitled to receive will be entitled to receive an allotment of six (6) additional Qualifying Workweeks. The Waiting Time Penalties allocation shall be considered 100% penalties for tax purposes.

4.3.4 The portions of the Individual Settlement Payments allocated to wages shall be reported on an IRS Form W-2, and the portion allocated to interest and/or statutory penalties shall be reported on an IRS Form 1099, if applicable. Defendant's share of payroll taxes on the amount allocated to payment of wages shall be paid separately and apart from the Gross Settlement Amount.

4.4 **Class Counsel's Attorney's Fees.** Defendant will not object to a request of attorneys' fees by Plaintiffs' counsel of up to or 1/3 of the GSA (i.e., up to \$650,000).

4.4.1 The amount paid for Class Counsel's Attorney's Fees and Costs shall constitute full satisfaction of any obligation to pay any amounts to any person, attorney or law firm for attorneys' fees, expenses or costs in the Action incurred by any attorney on behalf of Plaintiffs and Class Members, and shall relieve Released Parties of all claims or liability to any attorney or law firm for any attorneys' fees, expenses and/or costs that may be claimed on behalf of Plaintiff and/or the Class Members.

4.4.2 If the amount awarded to Class Counsel for attorney's fees is less than the amount sought, the remainder will be retained in the NSA for distribution to Participating Class Members.

4.5 **Class Counsel's Costs.** Class Counsel will request, and Defendant agrees not to object, the reimbursement of all out-of-pocket litigation costs and expenses incurred in prosecuting the Action, in an amount not to exceed Thirty Thousand Dollars (\$30,000), which shall be paid from the GSA. If the amount awarded to Class Counsel for reimbursement of litigation costs is

less than the amount sought, the remainder will be retained in the Net Settlement Fund for distribution to Participating Class Members.

4.6 **Class Representative Service Awards and Individual Release.** Subject to Court approval and the execution of a general release in favor of the Released Parties, Plaintiff will be paid a Class Representative Service Award in an amount not to exceed Ten Thousand Dollars (\$10,000) from the GSA, in addition to his Individual Settlement Payment.

4.6.1 If the Court approves a Class Representative Service Award to Plaintiff that is less than the amount sought, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members.

4.6.2 The Parties intend this payment to constitute a service payment in consideration for Plaintiff's litigation efforts, and the work and time Plaintiff put into this Action as Class Representative.

4.6.3 **Release for the Individual Plaintiff.** The Class Representative Service Award is also provided in consideration for Plaintiff's full and separate general release of any claims, liabilities, rights, demands, causes of action of every nature and description against the Released Parties regardless of whether such claims have been alleged in the Action, including any and all known or unknown claims, demands, rights, liabilities, causes of action, losses, debts, and expenses whether for wages, economic damages, non-economic damages, punitive damages, restitution, tort, contract, penalties, injunctive or declaratory relief, attorney's fees, costs, or other monies or remedies.

4.6.4 The Class Representative himself (and not on behalf of the Class or any other Class Member) shall release, acquit and discharge the Released Parties from any and all claims against the Released Parties of any kind whatsoever (upon any legal or equitable theory whether contractual, common law, constitutional, statutory, federal, state, local or otherwise), whether known or unknown, that arose, accrued or took place at any time on or prior to the date on which the full and general release is executed. Through the full and general release discussed in this Section, the Class Representative will expressly waive the benefit of Section 1542 of the California Civil Code and acknowledges the language of Section 1542 of the California Civil Code, which provides:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

- 4.6.5 Because the Class Representative Service Award represents a payment to the Class Representative for services to the Class and not wages, taxes will not be withheld from the Class Representative Service Award.
- 4.6.6 Nothing in this Settlement, including, but not limited to, the release of claims provisions, will prevent Plaintiff from filing a charge or complaint with, reporting possible violations of any law or regulation, making disclosures to, and/or participating in any investigation or proceeding conducted by the United States Equal Employment Opportunity Commission, National Labor Relations Board, and/or any other federal, state or local agency charged with the enforcement of any laws, although by signing this Settlement, Plaintiff is waiving rights to individual relief based on claims asserted in such a charge or complaint, except where such a waiver of individual relief is prohibited.
- 4.6.7 The Class Representative fully supports the Settlement and believes the Settlement is fair, reasonable and adequate and in the best interest of the Class members.

4.7 **PAGA Payment.** Subject to Court approval, Fifty Thousand Dollars (\$50,000) will be allocated to cover all claims for civil penalties alleged in the Action and in consideration for the PAGA Release.

- 4.7.1 The PAGA Payment shall be allocated 75% to the LWDA, and the remaining 25% going to the PAGA Employees as defined above.
- 4.7.2 PAGA Employees shall receive a pro-rata portion of the 25% of the PAGA Payment according to their respective number of Qualifying Workweeks during the PAGA Period, as defined herein.
- 4.7.3 Every PAGA Employee will receive a PAGA settlement check regardless of whether they opt-out of any other part of the Settlement. The PAGA Employees will have 180 days to cash their checks.
- 4.7.4 Every PAGA Employee will be bound by the PAGA Release, as defined in Section 12, regardless of whether they cash their PAGA settlement check.

4.8 **Settlement Administrator's Costs:** The reasonable costs incurred by the Settlement Administrator in administering the settlement, as approved by the Court, shall be deducted from the Maximum Settlement Amount and are currently estimated not to exceed Thirty-Five Thousand Dollars (\$35,000) and shall be paid from the GSA.

5. SETTLEMENT APPROVAL

5.1 Solely for purposes of settling this Action, the Parties stipulate and agree that the prerequisites for establishing class certification have been met.

5.2 The Parties hereby agree that the formula for allocating the Individual Settlement Payments to the Class members under the terms of this Settlement is reasonable and that the individual payments provided are designed to provide an adequate, reasonable and fair settlement to the Class Members. The Parties and their respective counsel believe that the Settlement is fair, reasonable, and adequate based on their own independent investigation and evaluation, and considering all known facts, defenses, and circumstances.

5.3 The Parties and their counsel agree to the conditional certification of the Class for the sole purpose of effectuating this Settlement. Should, for whatever reason, the Settlement not become final, the fact that the Parties were willing to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in, this Action or any other legal proceeding in any jurisdiction. As is discussed elsewhere in this Settlement, Defendant expressly reserves the right to oppose class certification in this Action should the Settlement not become final.

5.4 The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Settlement.

5.5 Defendant agrees not to oppose Plaintiffs' Motion for Preliminary Approval unless the motion is inconsistent with the terms set forth in this Settlement.

6. SETTLEMENT ADMINISTRATION

6.1 Class Counsel has obtained multiple competing bids from potential settlement administrators. After consideration of those bids, the Parties have mutually agreed to select Apex Class Action LLC as the Settlement Administrator for this Action. The Settlement Administrator will be responsible for timely and properly calculating the Individual Settlement Payments; mailing Notice Packets, preparing and mailing settlement checks and appropriate tax documents; withholding from Individual Settlement Payments payable to all applicable payroll and employment taxes, including all federal, state, and local income taxes, and to prepare and deliver the necessary tax documentation and, thereafter, to cause the appropriate deposits of withholding taxes and informational and other tax return filing to occur.

6.2 The Settlement Administration also includes but is not limited to generation of Individual Settlement Payment checks and related tax reporting forms, checking addresses against the National Change of Address database, skip-tracing using Accurant or similar skip tracing procedures the Class members' contact information as necessary and as described herein, administration of uncashed checks, generation of checks to Class Counsel for attorneys' fees and costs and to Plaintiff for his Class Representative's Service Award, resolution of disputes concerning weeks worked, and such other duties as may be required for the administration of the Settlement.

6.3 The Settlement Administrator shall expressly agree to all the terms and conditions of this Settlement. All costs associated with administering the Settlement by the Settlement Administrator shall be compensated by the Settlement Administrator's Cost Award.

6.4 The Settlement Administrator is responsible for establishing the QSF. The QSF shall be an interest-bearing account within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, *et seq.*, at a federally insured bank that is mutually acceptable to the Parties and the Settlement Administrator. The Settlement Administrator shall serve as a Trustee of the QSF and shall act as a fiduciary with handling of all tax-related issues, reporting and payments. The Settlement Administrator shall act in a manner necessary to qualify and maintain the QSF as a Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment. The Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will there be any reversion to Defendant of any of the funds from the QSF or the Maximum Settlement Amount.

6.5 The Settlement Administrator will ensure that the Individual Settlement Payments are calculated as described in this Settlement.

6.6 Class Members' settlement checks will not expire until at least 180 days after their issuance ("cashing deadline").

6.7 The Settlement Administrator will be responsible to send any residual amount of the Net Settlement Amount remaining after all Participating Class members' claims are paid resulting from any returned or uncashed checks to the California State Controller's Office in the name of the Class Member.

6.8 The Settlement Administrator will also be responsible for issuing to the Participating Class Members a form W-2 for the amount deemed "wages" and an IRS Form 1099 for the portions allocated to penalties and interest. The Settlement Administrator will inform the employer of its employer-side tax obligations and will coordinate the employer on processing such tax payments.

7. NOTICE TO THE LWDA

7.1 Plaintiff shall be responsible for submitting the settlement to the LWDA at the same time of filing the Motion for Preliminary Approval, in accordance with applicable requirements under PAGA. If the Court does not grant the Motion for Preliminary Approval and/or the Motion for Final Approval and/or if the LWDA objects to the PAGA Settlement Amount, the Parties agree to meet and confer to address the Court's and/or LWDA's concerns. If the parties are unable to agree upon a resolution, the Parties agree to seek the assistance of mediator Tripper Ortman.

8. NOTICE TO THE CLASS

8.1 Within ten (10) business days following the Court's Order Granting Preliminary Approval of Settlement, Defendant shall provide the Settlement Administrator with a list containing the names, last known addresses, last known telephone numbers, social security numbers of all Class Members, the dates of employment of each Class member who worked for

Defendant in California during the Class Period, the last date of employment for each Class member and all other information necessary for the Settlement Administrator to calculate the number of Qualifying Workweeks worked by each Class member and PAGA Employee, and to determine which Class members qualifies for the Waiting Time Subclass Allocation, (the "Class Data").

8.2 Defendant's Counsel shall meet and confer with the Settlement Administrator prior to the deadline to produce the Class Data to ensure that the format of the database will be acceptable to the Settlement Administrator. The Settlement Administrator shall not share the Class Data with anyone except as otherwise provided herein.

8.3 Prior to mailing the Notice Packet to Class members, the Settlement Administrator shall perform a National Change of Address (NCOA) search and an Accurint (or substantially similar) in-depth skip trace to obtain the best possible address for Class members.

8.4 Within fourteen (14) calendar days after receipt of the Class Data from Defendant, the Settlement Administrator shall mail the Class Court-Approved Notice Packet to all Class members by first-class U.S. mail.

8.5 The envelope containing the Notice Packet shall bear the following phrase in bold type, "**RETURN SERVICE REQUESTED.**" The envelope shall also bear the following phrase in the bottom left-hand corner: **IMPORTANT- GB AUTO CLASS ACTION SETTLEMENT INFORMATION. PLEASE OPEN IMMEDIATELY.**

8.6 Content of the Class Notice.

8.6.1 The Class Notice will include an estimated calculation of the Class members' estimated share of the Net Settlement Amount.

8.6.2 The Class Notice shall provide that Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion to the Settlement Administrator postmarked by the Objection/Request for Exclusion Deadline—forty-five (45) calendar days following the initial mailing of the Class Notice.

8.6.3 The Class Notice shall also inform any Class member who properly requests exclusion that they will not receive an Individual Settlement Payment and will not be bound by this Settlement or have any right to object, appeal, or comment thereon.

8.6.4 The Class Notice will also inform Class members who do not submit a valid and timely Request for Exclusion that they shall be bound by the terms of the Settlement and any judgment entered in the Action once the Settlement receives Final Approval.

8.6.5 The Class Notice shall provide that Class members who wish to object to the Settlement must file their written objection with the Court by the Objection/Request for Exclusion Deadline as well as mail a copy of their

written objection to the Settlement Administrator postmarked no later than the Objection/Request for Exclusion Deadline.

8.7 Undeliverable Notices.

8.7.1 If a Class Notice is returned as undeliverable with a forwarding address provided by the United States Postal Service on or by the Objection/Request for Exclusion Deadline, the Settlement Administrator will promptly resend the Class Notice to that forwarding address along with a brief letter stating that the recipient of the Class Notice has until the original deadline set forth on the Class Notice, or ten (10) calendar days after the date of re-mailing of the Class Notice (whichever is later) to object or submit a Request for Exclusion. If any Class Notice is returned from any mailing and/or re-mailed, the Settlement Administrator will note for its own records and notify the Parties' Counsel of the date of such re-mailings as part of a weekly status report provided to the Parties.

8.7.2 If a Class Notice is returned as undeliverable without a forwarding address from its first mailing, the Settlement Administrator shall undertake reasonable efforts to locate a current address, including performing an Experian (or substantially similar) in-depth skip trace or mass search on LexisNexis databases based on set criteria. If the Settlement Administrator obtains a more current address, the Settlement Administrator shall resend the Class Notice to that address along with a brief letter stating that the recipient of the Class Notice has until the original deadline set forth on the Class Notice or ten (10) calendar days after the date of re-mailing of the Class Notice (whichever is later) to submit a Request for Exclusion. No further action by the Settlement Administrator shall be required regarding undeliverable Class Notices.

8.8 The Settlement Administrator shall provide the Parties' Counsel with a weekly report showing: (1) the number of Class Notices mailed to Class members; (2) the number of Class Notices returned as undeliverable; (3) the number of re-mailed Class Notices; (4) the number of Class members who have submitted Requests for Exclusion; (5) the number of Class members who have submitted objections; and (6) the number of Class members who have disputed the number of Qualifying Workweeks being credited to that Class member. Additionally, the Settlement Administrator shall provide the Parties' Counsel with any updated reports regarding the administration of the Settlement as needed or requested.

8.9 At least twenty eight (28) calendar days prior to the Final Approval Hearing, the Settlement Administrator will provide a declaration specifying the due diligence the Settlement Administrator has undertaken with regard to the mailing of the Class Notice, including any attempts to obtain valid mailing addresses for and re-mailing of any returned Class Notice; verifying its Settlement Administrator's Fees; and reporting on the number of objections and exclusions submitted by Class members, as well as any disputes (and explain the status of the disputes).

9. RESPONSES TO THE CLASS NOTICE

9.1 Resolution of Dispute. If a Class member wishes to dispute the number of Qualifying Workweeks stated in the Class Notice, the Class member must notify the Settlement Administrator no later than the Objection/Request for Exclusion Deadline—45 calendar days from the mailing of the Class Notice or ten (10) calendar days after the date of re-mailing of the Class Notice (whichever is later).

9.1.1 The Class member must produce any available supporting evidence to the Settlement Administrator regarding the correct number of Qualifying Workweeks that the Class member contends worked for Defendant during the relevant period, as explained in the Class Notice.

9.1.2 The Settlement Administrator will notify the Parties' Counsel of any disputes via email. Defendant shall review its records and provide information to the Settlement Administrator in response to any such disputes. Defendant's records shall be presumed to be determinative, but the Settlement Administrator shall evaluate the evidence submitted by the Class member and make the decision as to which dates should be applied. The determination by the Settlement Administrator shall be final and binding.

9.2 Requests for Exclusion from Class. Any Class member who wishes to validly exclude himself or herself from the Settlement must send a Request for Exclusion to the Settlement Administrator, postmarked or faxed by no later than forty five (45) calendar days after the date the Settlement Administrator initially mails the Class Notice to the Class members or ten (10) calendar days after the Settlement Administrator re-mails the Notice to the Class member, whichever is later (the "Request for Exclusion Deadline").

9.2.1 The date of the initial mailing of the Class Notice was postmarked shall be conclusively determined according to the records of the Settlement Administrator. Any Class member who timely and validly submits a Request for Exclusion will not be entitled to any Individual Settlement Payment, will not be bound by the terms and conditions of this Settlement, and will not have any right to object to the Settlement or appeal the Court's Orders in this case.

9.2.2 The Settlement Administrator will provide the Parties with the number of valid and timely Request for Exclusion letters received within seven (7) calendar days after the Objection/Exclusion Deadline.

9.3 Objections to Settlement: Any Class member who wishes to object to this Settlement, or any term of it, must not submit a Request for Exclusion letter.

9.3.1 The Class member must file their objection with the Court by the Objection/Request for Exclusion Deadline as well as mail a copy of their written objection to the Settlement Administrator postmarked no later than the Objection/Request for Exclusion Deadline (or ten (10) days after the

Settlement Administrator re-mails the Notice to the Class member, whichever is later), unless the Court orders otherwise.

9.3.2 The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within three (3) business days of receipt. The Court retains final authority with respect to the consideration and admissibility of any Class member objections.

9.4 The timeliness of a Class Member's Request for Exclusion or written objection shall be determined based on the postmarked date of mailing.

9.5 Encouragement of Class Members. The Parties to this Settlement and the counsel representing such Parties shall not, directly or indirectly, through any person, encourage or solicit any Class member to exclude himself or herself from this Settlement or to object to it. However, Class Counsel, Defense Counsel, and Defendant may respond to inquiries from Class members with truthful information and nothing that discourages participation.

10. SETTLEMENT FUNDING AND DISTRIBUTION

10.1 **Settlement Funding Dates:** Defendant shall deposit into the QSF the entire GSA, plus any applicable payroll taxes, within seven (7) calendar days after the Effective Date.

10.2 **Settlement Disbursement Date:** No later than seven (7) calendar days after Defendant funds and deposits the entirety of the GSA into the QSF, the Settlement Administrator shall disburse: (a) Individual Settlement Payments to Participating Class Members; (b) the Class Representatives' Service Award; (c) the portion of the PAGA Payment to be made to the LWDA and to the PAGA Employees; (d) the Settlement Administrator's Costs; and (e) Class Counsel's Attorney's Fees and Costs, all as previously approved by the Court.

10.3 The Settlement Administrator shall provide written and signed certification of the completion of the Settlement Disbursement procedures to Class Counsel and Defendant's Counsel within 250 calendar days from the Settlement Disbursement Date if no re-distribution is necessary, or 250 calendar days from the date any re-distribution required under the Settlement is completed. Class Counsel shall file that written certification with the Court.

11. DISPOSITION OF RETURNED AND UNCASHED CHECKS

11.1 This is a non-reversionary "all-in" settlement. No unclaimed amounts will revert to Defendant.

11.2 If any Individual Settlement Payments are returned as undeliverable, the Settlement Administrator will take all steps necessary to locate an updated mailing address for the Class member, including without limitation, using Experian (or substantially similar) in-depth skip-trace. In the event the Settlement Administrator is unable to locate an updated address, or the Individual Settlement Payments are returned as undeliverable after a second mailing, the amount of any returned checks shall return to the Net Settlement Fund.

11.3 Settlement Checks will not expire until at least 180 days after their issuance. Any funds from any uncashed checks shall return to the Net Settlement Fund.

11.4 Any residual amount of the Net Settlement Amount remaining after all Participating Class members' claims are paid resulting from any returned or uncashed checks shall be sent to the California State Controller's Office in the name of the Class Member.

12. RELEASES

12.1 **PAGA Release.** Upon funding of the GSA, all PAGA Employees will release the Released Parties of all claims and damages arising under Private Attorneys' General Act of 2004 ("PAGA") based on the facts alleged in the operative Complaint, which includes the Amended Complaint filed as part of this settlement, and the PAGA Notice and ascertained in the course of the Action.

12.2 **Class Claims Release.** Upon funding of the GSA, all Participating Class Members (i.e., those who did not timely submit a Request for Exclusion) release any and all claims and damages arising from any of the facts alleged in Plaintiff's operative Complaint during the Class Period for damages or that could have been raised in the operative Complaint (including any amended Complaint, filed as part of this Settlement) and ascertained in the course of the Action, including without limitation Defendant's alleged violation of the California Business and Professions Code sections 17200, *et seq.* for, inter alia, failure to provide compliant meal periods and/or timely pay premiums; failure to provide rest periods and/or timely pay premiums; failure to timely pay all minimum, regular, and overtime wages; failure to provide separate rest period compensation for nonproductive work; failure to provide accurate itemized wage statements; failure to reimburse for business expenses; and failure to pay all wages due during and upon separation of employment.

13. VOIDING THE AGREEMENT

13.1 If the Effective Date does not occur, this Settlement and any of the related negotiations or proceedings shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever. All Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither agreed to nor filed with the Court. The fact that the Parties were willing to stipulate to class certification of all causes of action pled in the Action as part of the Settlement will have no bearing on, and will not be admissible in connection with, the issue of whether the Class should be certified by the Court in a non-settlement context in this Action or any other action. Defendant expressly reserves the right to challenge the propriety of class certification in the Action for any purpose if the Effective Date does not occur.

13.2 Defendant may void the Settlement if more than five percent (5%) of the Class Members submit a timely and valid Request for Exclusion. If an employee opting out this settlement has contractually released all the claims alleged in this lawsuit as part of a prior settlement, said employee will not count toward the threshold necessary to void this settlement. Defendant must exercise this right within ten (10) business days after the Settlement Administrator has provided Defendant with the total number of Class Members who timely submitted a valid

Request for Exclusion. If Defendant chooses to terminate the settlement pursuant to this provision, Defendant shall be responsible for all costs of claims administration incurred as of the termination date.

14. MISCELLANEOUS PROVISIONS

14.1 All of Defendant's own legal fees, costs, and expenses incurred in this Action shall be borne by Defendant.

14.2 The Parties agree to cooperate in the Settlement Administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

14.3 The signatories hereto represent that they are fully authorized to enter into this Settlement and bind the Parties to the terms and conditions herein.

14.4 The Parties have cooperated in the negotiation and preparation of this Settlement. This Settlement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Settlement.

14.5 Employment Verification/Neutral Reference. In the event that Plaintiff Johnson instructs potential prospective employers to contact Defendant Sun Auto Tire & Service, Inc., f/k/a GB Auto Service, Inc., or its predecessors, affiliates, subsidiaries, successors, assigns, administrators, agents, representatives, attorneys, officers, partners, owners, board members, directors, shareholders, trustees, and beneficiaries for an employment reference, Defendant shall provide only a neutral reference which will consist of Plaintiff Johnson's name, dates of employment, and position held.

14.6 Mutual Full Cooperation: The Parties agree to fully cooperate with each other to accomplish the terms of the Settlement, 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 the Settlement. The Parties shall use their best efforts, including all efforts contemplated by the Settlement and any other efforts that may become necessary by order of the Court to effectuate the Settlement, and the terms set forth herein. In the event the Parties are unable to reach a Settlement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of the Settlement, the Parties shall seek the assistance of the Court to resolve such disagreement.

14.7 No Admission: Nothing contained herein, nor the consummation of the Settlement, 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 agreed to the Settlement with the intention of avoiding further disputes and litigation with the attendant risk, inconvenience and expenses. This Settlement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce the Settlement.

14.8 Construction: The Parties agree that the terms and conditions of the Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this

Settlement shall not be construed in favor of or against any of the Parties by reason of the extent to which any Party participated in drafting the Settlement.

14.9 Headings: The descriptive heading of any section or paragraph of this Settlement is inserted for convenience of reference only and does not constitute a part of this Settlement and shall not be considered in interpreting this Settlement.

14.10 Representation by Counsel: The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and that this Settlement has been executed with the consent and advice of counsel.

14.11 No Reliance on Representations: The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Settlement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Settlement, or with respect to any other matters. No representations, warranties, or inducements have been made to any party concerning this Settlement.

14.12 Jurisdiction of the Court: Except for those matters to be resolved by the Settlement Administrator as expressly stated, any dispute regarding the interpretation or validity of this Settlement, or relating to the Action or the Released Claims, shall be subject to the exclusive jurisdiction of the Court, and Plaintiffs, Class members, and Defendant agree to submit to the personal and exclusive jurisdiction of the Court. The Disposition entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. The Court shall retain jurisdiction solely with respect to the interpretation, implementation and enforcement of the terms of this Settlement and all orders, judgments entered in connection therewith, and post-judgment matters. After entry of the Final Judgment, the Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of: (i) enforcing this Settlement, (ii) addressing any claims administration matters that may arise; and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

14.13 California Law Governs: All terms of this Settlement and exhibits hereto shall be governed by and interpreted according to the laws of the State of California, regardless of its conflict of laws.

14.14 Invalidity of Any Provision: The Parties request that before declaring any provision of this Settlement of Settlement invalid, the Court shall first attempt to construe its provisions valid, consistent with applicable precedents, and to define all provisions in this Settlement valid and enforceable, to the fullest extent possible.

14.15 Amendment or Modification: This Settlement may be amended or modified only by a written instrument signed by the Parties or their successors-in-interest.

14.16 Interim Stay of Proceedings: The Parties agree to hold in abeyance all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.

14.17 Counterparts and Fax/Electronic Signatures: This Settlement may be executed in counterparts by facsimile, or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this agreement. A fax scanned signature on this Settlement shall be as valid as an original signature.

14.18 Entire Agreement: This Settlement and exhibits hereto constitute the entirety of the Settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties, and this Settlement supersedes all prior agreements and understandings among the Parties hereto with respect to the settlement of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of prior agreements or proposals. The Parties expressly recognize that California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a) provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence and agree that no such extrinsic oral or written representations will modify, vary or contradict the terms of the Settlement. In case of any conflict between text contained in Sections 1 through 14 of this Settlement and text contained in the Exhibits to this Settlement, the former (*i.e.*, Sections 1 through 14) shall be controlling, unless the Exhibits are changed by or in response to a Court order. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Settlement other than those expressly set forth or referred to herein.

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

14.20 Binding on Successors and Assigns: This Settlement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties to this Settlement.

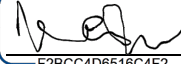
14.21 Deadlines Falling on Weekends or Holidays: To the extent that any deadline set forth in this Settlement falls on a Saturday, Sunday or legal holiday, that deadline shall be continued until the following business day.

IT IS SO AGREED.

4/22

Dated: _____, 2025

PLAINTIFF:

DocuSigned by:

F2BCC4D6516C4F2...

JOHN JOHNSON

Dated: _____, 2025

DEFENDANT:
SUN AUTO TIRE & SERVICE, INC.,
f/k/a GB AUTO SERVICE, INC.

By: _____
(Authorized Representative of Defendant)

APPROVED AS TO FORM AND CONTENT:

Dated: April 23, 2025

CLASS COUNSEL:
GRAHAMHOLLIS, APC

By: *Vilmarie Cordero*
GRAHAM S.P. HOLLIS
VILMARIE CORDERO
HALI M. ANDERSON

Dated: _____, 2025

DEFENDANT'S COUNSEL:
KLINEDINST, PC

By: _____
THOMAS E. DAUGHERTY

Dated: April 30, 2025

DEFENDANT:
SUN AUTO TIRE & SERVICE, INC.,
f/k/a GB AUTO SERVICE, INC.

By: Paul Brooker
(Authorized Representative of Defendant)

APPROVED AS TO FORM AND CONTENT:

Dated: _____, 2025

CLASS COUNSEL:
GRAHAMHOLLIS, APC

By: _____
GRAHAM S.P. HOLLIS
VILMARIE CORDERO
HALI M. ANDERSON

Dated: April 30, 2025

DEFENDANT'S COUNSEL:
KLINEDINST, PC

By: Thomas E. Daugherty
THOMAS E. DAUGHERTY

EXHIBIT A

[FOR USE OF SETTLEMENT ADMIN ONLY]

NOTICE OF SETTLEMENT OF CLASS AND PAGA ACTION

If you were employed by SUN AUTO TIRE & SERVICE, INC., F/K/A GB AUTO SERVICE, INC. as a non-exempt employee at any time from October 14, 2020, to [preliminary approval date] you are a Class Member eligible to receive money from this Settlement.

The Court authorized this notice.

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

This is not a solicitation from a lawyer.

YOUR OPTIONS UNDER THE CLASS SETTLEMENT ARE:

DO NOTHING	RECEIVE YOUR PAYMENT AND RELEASE THE CLASS CLAIMS ALLEGED IN THE ACTION – Your payment will automatically be sent to you. Your Individual Settlement Payment is estimated to be \$. [INCLUDE WAITING TIME PENALTIES ALLOCATION IF APPLICABLE]. The actual amount you may receive may be different and will depend on different factors. For an explanation on how your payments were calculated please see Section ----- below.
REQUEST EXCLUSION	OPT-OUT OF THE SETTLEMENT. YOU NEED TO SEND A REQUEST FOR EXCLUSION LETTER: If you exclude yourself from the Settlement, you get NO Settlement payment, and you will not release any of the Class Claims. You must submit a valid Request for Exclusion, the process for which is described in Section ----- below.
OBJECT TO THE SETTLEMENT	If you believe the terms of the Settlement are unfair or unreasonable, then you may notify the Settlement Administrator that you object. You may also appear at the Final Approval Hearing on [DATE OF HEARING] to object, the process for which is described in Section ---- below. If you wish to Object, you cannot send a Request for Exclusion Letter.

PLEASE READ THIS NOTICE CAREFULLY

YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR NOT

CLASS NOTICE

1. Why did I get this notice?

Sun Auto Tire & Service, Inc., f/k/a GB Auto Service, Inc., (“Defendant” or “GB Auto”) records show that you worked for GB Auto as a non-exempt employee at some point between October 14, 2020, through [preliminary app. date].

2. What is this proposed Settlement about?

Plaintiff John Johnson a former employee of Defendant, filed a representative action Complaint on October 14, 2022, in the San Diego Superior Court entitled John Johnson v. GB Auto Service, Inc., et al., Case No. 37-2022-00041423-CU-OE-CTL (the Action”). Plaintiff alleges Defendant committed various California Labor Code violations. Among other things, Plaintiff claims Defendant failed to pay for all hours worked for the time its non-exempt employees spent working off-the-clock; failed to provide compliant rest and meal periods; failed to pay rest or meal premium wages when a meal or rest period was not provided; failed to provide accurate wage statements, and further failed to pay all earned and owed wages to its non-exempt employees timely upon separation of employment.

Throughout the litigation, GB Auto has denied—and continues to deny—the factual and legal allegations in the Action and denies any wrongdoing or liability. GB Auto asserts that it has fully complied with all of its legal obligations, including that it timely and properly paying for all the hours its non-exempt employees worked.

On October 1, 2024, the parties participated in a mediation with experienced mediator Tripper Ortman and agreed to enter into this Class Action and Representative Action Settlement that resolves all the claims Plaintiff alleged in the Action.

3. Why is there a Settlement?

The Court did not hold a trial to decide in favor of Plaintiff or Defendant. The Court has made no ruling on the merits of Plaintiff’s or the Class Members’ claims. The Court’s decision to certify the Class is for Settlement purposes only, it is not a predictor that Plaintiff or the Class would ultimately prevail on the merits of the Action, on a class action basis or otherwise.

All parties agreed to the Settlement because they believe it is fair, reasonable, and adequate under the circumstances. Plaintiff thinks his claims have merit and that he would have been successful at trial. On the other hand, GB Auto denies all liability and believes that Plaintiff would not have won anything at trial. The parties negotiated this settlement to avoid the risks and uncertainties of continued litigation and agree that the Settlement is advantageous to all parties considering all those risks and uncertainties.

4. Who is included in the Settlement?

You are a member of the Class if you performed work as a non-exempt employee at any time from October 14, 2020, through [INSERT date of Preliminary Approval of the Settlement] (the Class Period).

You are a member of the Waiting Time Subclass if you separated from employment with Defendant at any time from October 14, 2021, through [INSERT date of Preliminary Approval of the Settlement].

CLASS NOTICE

You are a PAGA Employee, and entitled to a portion of the PAGA Payment, if you work as a non-exempt employee from October 14, 2020 through [INSERT date of preliminary approval] (the PAGA Period). All PAGA Employees will receive their pro-rata share of the PAGA Payment regardless of whether they opt out of the Settlement.

5. What does the Settlement Provide?

GB Auto agreed to pay \$1,950,000 (the “Gross Settlement Amount” or “GSA”) to settle the Action.

The Settlement Administrator will distribute and make the following payments from the GSA:

- Settlement Administration Costs: For its work administering the Settlement, the Settlement Administrator will charge an amount currently estimated not to exceed \$13,250.
- Class Representative Service Awards: Plaintiff John Johnson is requesting \$10,000 in recognition for his efforts in obtaining the benefits of this Settlement and in exchange for a broader general release.
- Attorney’s Fees and Costs: Class Counsel will request a payment up to 1/3 of the Gross Settlement Amount, or an amount not to exceed \$650,000, for payment of Class Counsel’s attorney’s fees. Class Counsel will also seek reimbursement of reasonable litigation costs, not to exceed \$30,000. Class Members are not personally responsible for paying Class Counsel’s attorney’s fees or costs.
- PAGA Payment: \$50,000 will be allocated to cover all claims for civil penalties alleged in the Action. The PAGA Payment shall be allocated 75% to the California Labor & Workforce Development Agency (“LWDA”), and the remaining 25% is going to the PAGA Employees, who will receive a pro rata share depending on their number of workweeks worked during the PAGA period.

The Net Settlement Amount, which is the amount left-over after the Settlement Administrator makes the payments listed above, will be distributed among all Participating Class Members in accordance with their respective workweeks worked during the Class Period (October 14, 2020 through preliminary approval date).

The Net Settlement Sum is estimated as follows:

GSA	\$1,950,000
Class Counsel’s Fees	\$650,000
Class Counsel Costs	\$30,000
Service Award	\$10,000
Settlement Administration Costs	\$13,250
PAGA Payment	\$50,000
Net Settlement Fund Estimated	\$1,196,750

CLASS NOTICE

6. How will my payment be calculated?

The Net Settlement Amount (NSA), currently estimated in \$1,196,750, will be allocated among all Class Members who do not opt out of the Settlement.

The Class. Class Members will be allocated 85% of the NSA, currently estimated at \$1,017,237.50. If you are a Class Member (Section 3 of this Notice), you will receive a pro rata portion of the NSA based upon the number of Qualifying Workweeks that you worked during the Class Period as a non-exempt employee compared to the total number of Qualifying Workweeks that all other Participating Class Members worked during the Class Period. Qualifying Workweeks include any weeks a Class Member worked at least one day of the week and was not on vacation or a leave of absence. Workweeks of Class Members who exclude themselves from the Settlement will not be included in the total number of Workweeks for purposes of the Settlement Administrator's calculation and distribution of Individual Settlement Payments to Participating Class Members.

The Waiting Time Penalties Subclass Members. The Waiting Time Penalties Subclass will be allocated 15% of the NSA, currently estimated at \$179,512.50. If you are a former employee of Defendant who qualifies for a Waiting Time Penalties Subclass Payment (Section 3 of this Notice), you and all other Participating Waiting Time Penalties subclass members will receive an equal amount of the Waiting Time Subclass Allocation.

7. How much will I receive?

Defendant's records show that you are a member of the Class [and INSERT WAITING TIME PENALTIES SUBCLASS IF APPLICABLE]. Defendant's records show you worked a total of [INSERT Number] Qualifying Workweeks as a non-exempt employee during the Class Period. This means you will receive a settlement amount that is currently estimated to be: \$[est. amount] less applicable taxes and payroll deductions. (You may have worked additional Workweeks for Defendant prior to the Class Period or in an exempt position, but those Workweeks are not included for purposes of this Settlement).

<<INSERT FOR WTP SUBCLASS MEMBERS ONLY>> Defendant's records also show that you are a member of the Waiting Time Penalties Subclass, which means you are entitled to receive \$[est. amount] as a waiting time penalty, in addition to any amounts referenced above.

Defendant's records also show that you are a PAGA Employee, which means you are entitled to receive \$[est. amount] in addition to any amounts referenced above, as part of the PAGA Payment. You will receive your pro-rata share of the PAGA Payment regardless of whether you opt out of the Settlement.

Only if the Settlement receives final approval by the Court, the Settlement Administrator will send you your Individual Settlement Payments.

Please Note: The actual amount of your Individual Settlement Payment may increase or decrease based on several factors, including, but not limited to, the number of individuals who decide to exclude themselves from the settlement.

The Settlement Administrator will calculate all types of Settlement Payments to Participating Class Members. In the event there is a dispute regarding any type of Settlement payment calculation, the Settlement Administrator appointed by the Court will make the final decision regarding its resolution.

CLASS NOTICE

If you believe in good faith that your total number of Workweeks listed above is incorrect, you must contact the Settlement Administrator as soon as possible and provide documentation that you believe demonstrates that this number is incorrect and authorize the Settlement Administrator to review your records and related documents.

A Class Member challenging the total number of Workweeks bears the burden of proof. If the Class Member fails to provide written documentation supporting a different number of Workweeks, the Settlement Administrator will have his or her dispute denied. The total number of your Workweeks listed above is presumed to be correct unless the documents you submit (such as wage statements and paystubs) demonstrate otherwise.

If you intend to challenge the total number of Workweeks listed above, your dispute letter and supporting documents must be mailed to the Settlement Administrator postmarked no later than <<45 calendar days from mailing>> at the designated address for the Settlement Administrator. The Settlement Administrator will review the pertinent records showing the total number of Workweeks that you worked during the Class Period, which Defendant has agreed to make available for this purpose and make a determination. If you do not provide any documents or other evidence to support your challenge, the Settlement Administrator will reject it.

8. When do I get my payment?

The Settlement will become Effective the date the Court enters the Final Approval Order and Judgment if there are no objections to the Settlement (Effective Date). Defendant will deposit the entirety of the Gross Settlement Amount into the account set up by the Settlement Administrator no later than seven (7) calendar days after the Effective Date.

No later than seven (7) calendar days after Defendant deposits the entirety of the Gross Settlement Amount, the Settlement Administrator will disburse: (a) the Individual Settlement Payments to Participating Class Members; (b) the Class Representative Service Awards; (c) the PAGA Payment; (d) the Settlement Administrator's Costs; and (e) Class Counsel's Fees and Costs. Once the Settlement Administrator mails you your Individual Settlement Payment check, you must cash your check within 180 calendar days from the date the check is mailed.

***Any checks that are returned as undeliverable or remain uncashed 180 calendar days after mailing or remailing will be cancelled, and the funds will be sent to the California State Controller's Office in the name of the Class Member.**

To check on the progress of the Settlement, you may call the Settlement Administrator at [TPA Number] or contact Class Counsel at (833) 300-2667.

9. What am I giving up if I participate in the Settlement and stay in the Class?

Class Claims Release. Unless you exclude yourself from the Class, you will remain a Class Member, which means you will not be able to sue or be part of any other lawsuit against Defendant about the legal issues in this case. Upon funding of the GSA, all Participating Class Members (i.e., those who did not timely submit a Request for Exclusion) release any and all claims and damages arising from any of the facts alleged in Plaintiff's operative Complaint during the Class Period for damages or that could have been raised in the operative Complaint (including any amended Complaint, filed as part of this Settlement), including Defendant's alleged violation of the California Business and Professions Code sections 17200, et seq. for, inter alia, failure

CLASS NOTICE

to provide compliant meal periods and/or timely pay premiums; failure to provide rest periods and/or timely pay premiums; failure to timely pay all minimum, regular, and overtime wages; failure to provide separate rest period compensation for nonproductive work; failure to provide accurate itemized wage statements; failure to reimburse for business expenses; and failure to pay all wages due during and upon separation of employment.

PAGA Release. Upon funding of the GSA, all PAGA Employees will release the Released Parties of all claims and damages arising under Private Attorneys' General Act of 2004 ("PAGA") based on the facts alleged in the operative Complaint, which includes the Amended Complaint filed as part of this settlement.

10. How do I exclude myself from the California Class Claims Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Settlement Administrator with the following sentence, or something similar, stating: "I wish to be excluded from the Settlement of the case entitled *John Johnson v. GB Auto Service, Inc.*, et al., Case No. 37-2022-00041423-CU-OE-CTL. You must also include your full name (and former names, if any), current address, telephone number, the last four digits of your Social Security Number, and you must sign the written statement.

You must mail your Request for Exclusion no later than <<45 calendar days from mailing>> to the Settlement Administrator at the following address:

Settlement Administrator
c/o <<TPA>>
<<address>>

11. How do I Object to the Settlement?

If you are a Class Member and you wish to object to the Settlement, you may either submit a written objection to the Settlement Administrator no later than <<45 calendar days from mailing>> or object at the Final Approval Hearing. You may object at the Final Approval Hearing even if you do not submit a written objection.

Your objection cannot ask the Court to order a larger Settlement. The Court can only approve or deny the Settlement. If the Court rejects your objection, you will still be bound by the terms of the Settlement. If you choose to object to the Settlement, you may enter an appearance at the Final Approval Hearing in propria persona (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

If submitting an objection, include your full name (and former names, if any), address, telephone number, your signature, the last four digits of your Social Security Number, and the factual basis for the objection with any supporting legal arguments, documents, or evidence to be submitted to the Court.

You can mail or fax your objection to the Settlement Administrator no later than <<45 calendar days from mailing>>. The Settlement Administrator's address is:

Settlement Administrator
c/o <<TPA>>
<<address>>

CLASS NOTICE

12. Do I have a lawyer in this case?

The Court appointed Hali M. Anderson and Vilmarie Cordero, of GrahamHollis APC to serve as Class Counsel and represent you and other Class Members. Class Counsel may be reached at:

GRAHAMHOLLIS, APC
3555 Fifth Avenue,
San Diego, CA 92103
Telephone: (833) 300-2667
Facsimile: (619) 692-0822

You will not be charged for their services. Instead, Class Counsel will request to be compensated directly from the Gross Settlement Amount, as discussed above. **If you want to be represented by your own lawyer, you may hire one at your own expense.**

13. When is the Final Approval Hearing?

The Court will hold a Final Approval Hearing to decide whether to grant final approval of the Settlement. You may attend this hearing, and you may ask to speak, but you do not have to. Class Counsel will appear at the hearing to advocate for the approval of the Settlement.

The Court will hold a Final Approval Hearing at <<time>> a.m./p.m. on <<date>> in Courtroom -----, before Judge [REDACTED] of the U.S. District Court for the Northern District of California, located at [REDACTED]. At this hearing, the Court will make a final decision as to whether the Settlement is fair, reasonable, and adequate. If you or other Class Members object to the Settlement, the Court will consider the objections. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to grant final approval of the Settlement.

14. Do I have to Appear at the Final Approval Hearing?

No, you do not have to attend the Final Approval Hearing, but you are welcome to come at your own expense.

15. How do I get more information?

This Notice only summarizes the Settlement. You may view a complete copy of the Settlement Agreement and many other of the papers filed in this lawsuit, online at the Settlement Administrator's Website at: www.----- You may also reached the business office, during regular business hours at:

Office of the Clerk
Superior Court of California, County of San Diego
ADDRESS---

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT

EXHIBIT 2

EXHIBIT 3

Appointed as Class Counsel¹ for the following wage and hour employment law cases:

United States District Court - Central District:

- *Corral v. Lifecare Solutions*, settled for \$3 million on behalf of approximately 270 class members, and Judge Olguin awarded 30% in fees.
- *Corral v. Staples the Office Super Store, LLC.*, settled for \$800,000.00 on behalf of approximately 2,289 class members, and Judge Scarsi awarded 33.33% in fees.
- *Ellis v. Pacific Bell Telephone Co.*, settled for \$3.1 million on behalf of approximately 84 class members, and Judge Carney awarded 33.3% in fees.
- *Green v. Lawrence Service Co.*, settled for \$60,000.00 on behalf of approximately 295 class members, and Judge Kronstadt awarded \$141,659.07 in fees.
- *Madera v. Universal Alloy Corporation*, settled for \$4.75 million on behalf of approximately 744 class members, and Judge Selna awarded 25% in fees.
- *Potter v. Big Tex Trailer Manufacturing, Inc.*, settled for \$972,391.68 on behalf of approximately 104 class members, and Judge Gutierrez awarded 33% in fees.
- *Rodriguez v. Old Dominion Freight Line, Inc.*, settled for \$3.4 million on behalf of approximately 76 class members, and Judge Fischer awarded 27.5% in fees.
- *Valentine v. Rehabilitation Center of Santa Monica Holding Co.*, settled for \$950,000.00 on behalf of approximately 4,560 class members, and Judge Kronstadt awarded 25% in fees.
- *Weaver v. Hallmark Marketing Corp.* settled for \$5.625 million on behalf of approximately 3,846 class members, and Judge Fairbanks awarded 33% in fees.

United States District Court – Eastern District:

- *Milburn v. Petsmart, Inc.*, settled for \$1.35 million on behalf of approximately 2,984 class members, and Judge Drozd awarded 33% in fees.
- *Osegueda v. Northern California Inalliance*, settled for \$225,000.00 on behalf of approximately 271 class members, and Judge Shubb awarded 33.33% in fees.
- *Stoddart v. Express Services, Inc.*, settled for \$10 million on behalf of approximately 145,548 class members, and Judge Mueller awarded 25% in fees.

¹ List includes cases filed by Graham Hollis, A.P.C., as well as its predecessor entities. It also includes cases where other law firms were appointed as co-class counsel.

United States District Court – Northern District:

- *Aston v. United Parcel Services, Inc.*, settled for \$490,000.00 on behalf of approximately 2,000 class members, and Judge White awarded 33.33% in fees.
- *Delatorre v. Johnson Controls, Inc.*, settled for \$2.8 million on behalf of approximately 1,441 class members, and Judge Grewal awarded 25% in fees.
- *Fong v. Regis Corporation*, settled for \$5.75 million on behalf of approximately 5,573 class members, and Judge Chhabria awarded 33% in fees.
- *Jimenez v. Menzies Aviation*, settled for \$1.25 million on behalf of 5,175 class members, and Judge Orrick awarded 33% in fees.
- *Moore v. Petsmart, Inc.*, settled for \$10 million on behalf of approximately 19,701 class members, and Judge Davila awarded 27% in fees.

United States District Court – Southern District:

- *Birch v. Office Depot, Inc.*, settled for \$14 million on behalf of approximately 16,722 class members, and Judge Sabraw awarded 40% in fees.
- *Ceron v. Flagship Facility Services, Inc.*, settled for \$2 million on behalf of approximately 6,922 class members, and Judge Sammartino awarded 30% in fees.
- *Cook v. Tiffany and Company*, settled for \$4,148,270.00 on behalf of approximately 1,584 class members, and Judge Lorenz awarded 24.8% in fees.
- *Ferguson v. Winston Retail Solutions*, settled for \$750,000.00 on behalf of approximately 660 class members, and Judge Battaglia awarded 33.33% in fees.
- *Lopez v. GAT Airline Ground Support, Inc.*, settled for \$600,000.00 on behalf of approximately 1,394 class members, and Judge Battaglia awarded 25% in fees.
- *Pool v. Ameripark, LLC*, settled for \$1.75 million on behalf of approximately 1,024 class members, and Judge Burns awarded 25% in fees.
- *Singer v. Becton Dickinson and Co.*, settled for \$1 million on behalf of approximately 266 class members, and Judge Gonzalez awarded 33.33% in fees.

Superior Court for the County of Alameda:

- *Coombes, et al. v. HR Support*, settled for \$525,000.00 on behalf of approximately 1,190 class members, and Judge Markman awarded 33.33% in fees.
- *Gray v. Moz Designs, Inc.*, settled for \$124,000.00 on behalf of approximately 33 aggrieved employees, and Judge Lee awarded 33.33% in fees.
- *Hobdy v. Landmark Event Staffing Services, Inc.*, settled for \$245,100.00 on behalf of approximately 3,671 class members, and Judge Hernandez, Jr., awarded 33.33% in fees.
- *Lee v. Sutter Bay Medical Foundation*, settled for \$995,000.00 on behalf of approximately 5,403 class members, and Judge Petrou awarded 33.33% in fees.
- *Pena v. American National Insulation, LLC.*, settled for \$883,189.09 on behalf of approximately 711 aggrieved employees, and Judge Brand awarded 33.33% in fees.
- *Roberson v. Center for the Elders' Independence*, settled for \$1.15 million on behalf of approximately 527 class members, and Judge Smith awarded 30% in fees.
- *Trento v. US Security Associates*, settled for \$6.5 million on behalf of approximately 14,700 class members, and Judge Seligman awarded 27.69% in fees.

Superior Court for the County of Contra Costa:

- *Stevenson v. Falcon Critical Care Transport*, settled for \$233,853.00 on behalf of approximately 46 class members, and Judge Goode awarded 29% in fees.

Superior Court for the County of Fresno:

- *Drake v. Midvalley Disposal, LLC* before Judge Snauffer, settled for \$150,000.00 on behalf of approximately 315 class members, and Judge McGuire awarded 28% in fees.
- *Kenner v. Oak Harbor Freight Lines, Inc.*, settled for \$1.85 million on behalf of approximately 216 class members, and Judge Snauffer awarded 27% in fees.
- *Parmelee v. Driveline Retail Merchandising, Inc.*, settled for \$1 million on behalf of approximately 1,261 class members, and Judge Kapetan awarded 33.33% in fees.

Superior Court for the County of Kern:

- *McGough v. Love's Travel Stops & Country Stores, Inc.*, settled for \$3 million on behalf of approximately 1,638 class members, and Judge Schuett awarded 33.33% in fees.

Superior Court for the County of Los Angeles:

- *Agredano v. Southwest Water Company*, settled for \$1.22 million on behalf of approximately 125 class members, and Judge Nelson awarded 33.33% in fees.
- *Calhoun v. General Petroleum Corp.*, settled for \$950,000.00 on behalf of approximately 300 class members, and Judge Dunn awarded 40% in fees.
- *Cartwright v. Envoy Air, Inc.*, settled for \$2.5 million on behalf of approximately 2,354 class members, and Judge Highberger awarded 33.33% in fees.
- *Escalante v. Urth Payroll Services, Inc.*, settled for \$625,000.00 on behalf of approximately 2,115 aggrieved employees, and Judge Traber awarded 40% in fees.
- *Fernandez v. Prime Healthcare Services, Inc.*, settled for \$145,000.00 on behalf of approximately 18 aggrieved employees, and Judge Keeny awarded 33.33% in fees.
- *Frugard v. Unified Protective Services, Inc.*, is an ongoing case which has been certified as a class action by Judge Johnson.
- *Garcia v. Menzies Aviation, Inc.*, settled for \$1 million on behalf of approximately 1,800 class members, and Judge Rosenblatt awarded 33.33% in fees.
- *Gordon v. Accountable Healthcare Staffing, Inc.*, settled for \$900,000.00 on behalf of approximately 560 class members, and Judge Buckley awarded 33.33% in fees.
- *Hendrix v. Lucky Seven Dragons, Inc.*, settled for \$225,000.00 on behalf of approximately 336 class members, and Judge Riff awarded 33.33% in fees.
- *Iskandaryan v. Casual Male Retail Group, Inc.*, settled for \$950,000.00 on behalf of approximately 716 class members, and Judge Stern awarded 33.33% in fees.
- *Jackson v. Sourcecorp BPS Inc.*, settled for \$1.875 million on behalf of approximately 481 class members, and Judge Nelson awarded 33.33% in fees.
- *Kirkpatrick v. Petco Animal Supplies Stores, Inc.*, settled for \$9.75 million on behalf of approximately 15,962 class members, and Judge Highberger awarded 33.33% in fees.
- *Lopez v Infosys Limited*, settled for \$2.72 million on behalf of approximately 4,444 class members, and Judge Bowick awarded 33.33% in fees.

- *Lucarini v. Dresser, Inc.*, settled for \$1.024 million on behalf of approximately 78 class members, and Judge Mohr awarded 39.55% in fees.
- *Magana-Mead v. LKQ Corporation*, was settled for \$1.15 million on behalf of 303 class members, and Judge Nelson awarded 33% in fees.
- *Mahoney v AT&T Corp.*, settled for \$13,894,098.62 on behalf of approximately 719 class members, and Judge Elias awarded 33.33% in fees.
- *Quinones v. Atria Management Company, LLC*, settled for \$1 million on behalf of approximately 15,027 class members, and Judge Buckley awarded 33.33% in fees.
- *Ralda v. Smart & Final Stores, LLC*, settled for \$2 million on behalf of approximately 3,104 class members, and Judge Kuhl awarded 33.33% in fees.
- *Rodriguez v. Atrium Hospitality LP*, settled for \$1,170,000.00 on behalf of approximately 1,467 class members, and Judge Seigle awarded 33.33% in fees.
- *Solaberrieta v. Baker Hughes Oilfield Operations*, settled for \$3.5 million on behalf of approximately 295 class members, and Judge Wiley awarded 33.33% in fees.
- *Taylor v. Cross Country Support Services*, settled for \$582,000.00 on behalf of 581 class members, and Judge Nelson awarded 33.33% in fees.
- *Valentine v. Rehabilitation Center of Santa Monica*, settled for \$2.050 million on behalf of 7,072 class members, and Judge Palazuelos awarded 33% in fees.
- *Valles v. Anthony, Inc.*, settled for \$2.858 million on behalf of 658 class members, and Judge Sadvig awarded 33.33% in fees.
- *Walker v. Favorite Healthcare Staffing, Inc.*, settled for \$3.65 million on behalf of approximately 7,290 class members, and Judge Iwasaki awarded 33% in fees.
- *Whittington v. Eureka Restaurant Group, LLC*, settled for \$200,000.00 on behalf of 3,883 class members, and Judge Hill awarded 33% in fees.
- *Williams v. One Legacy*, settled for \$1.2 million on behalf of approximately 145 class members, and Judge Johnson awarded 33% in fees.
- *Wright v. AMF Bowling Centers, Inc.*, settled for \$6.35 million on behalf of approximately 4,914 class members, and Judge Duffy-Lewis awarded 28% in fees.
- *Wright v. Menzies Aviation, Inc.*, was certified as a class action by Judge Weintrob and was consolidated with *Jimenez v. Menzies Aviation, Inc.* for settlement purposes.

Superior Court for the County of Orange:

- *Bernardo v. Firstelement Fuel, Inc.*, settled for \$751,000.00 on behalf of approximately 139 aggrieved employees, and Judge Claster awarded 30% in fees.
- *Chima v. Beckman Coulter, Inc.*, settled for \$225,000.00 on behalf of approximately 36 class members, and Judge Wilson awarded 35% in fees.
- *ClubCorp Wage and Hour Cases*, settled for \$6 million on behalf of approximately 3,554 class members, and Judge Claster awarded 33.33% in fees.
- *Collins v. The Stephouse Recovery, Inc.*, settled for \$1.2 million on behalf of approximately 150 class members, and Judge Claster awarded 35% in fees.
- *Duarte v. Rainbow Disposal Co., Inc.*, settled for \$1.6 million on behalf of approximately 110 class members, and Judge Andler awarded 40% in fees.
- *Flannery v. AGR Group California*, settled for \$1,324,937.00 on behalf of approximately 5,182 class members, and Judge Andler awarded 33% in fees.
- *Jenkins v. The Mentor Network, Inc.*, settled for \$1.625 million on behalf of approximately 1,050 class members, and Judge Perkins awarded 33% in fees.
- *Payton v. Atlantic Aviation Investors, Inc.*, settled for \$1 million on behalf of approximately 162 class members, and Judge Stock awarded 40% in fees.
- *Parnell v. Hart-Hanks Shoppers, Inc.*, settled for \$600,000.00 on behalf of approximately 169 class members, and Judge Andler awarded 33.33% in fees.
- *Sheehan v. Applied Medical Products*, settled for \$2.75 million on behalf of approximately 2,012 class members, and Judge Claster awarded 33.33% in fees.
- *Valenzuela v. Enver Solar, Inc.*, settled for \$575,000.00 on behalf of approximately 1,440 class members, and Judge Sanders awarded 35% in fees.

Superior Court for the County of Riverside:

- *Becerra v. Moncler USA Retail, LLC.*, settled for \$447,744.15 on behalf of approximately 169 class members, and Judge Riemer awarded 33% in fees.

- *Digiacombo v. Castelli's Ristorante*, settled for \$225,000.00 on behalf of approximately 35 class members, and Judge Waters awarded 33% in fees.
- *Leonard v. ABTTC, Inc.*, settled for \$2.5 million on behalf of approximately 336 class members, and Judge Riemer awarded 33% in fees.
- *Loudon v. DHSE, Inc.*, (Representative Action), settled for \$650,000.00 on behalf of approximately 860 aggrieved employees, and Judge Waters awarded 33.33% in fees.
- *Steepe v. Responsible Medical Solutions Corp.*, settled for \$629,147.61 on behalf of approximately 273 class members, and Judge Riemer awarded 30.6% in fees.
- *Vest v. Scher Tire, Inc.*, settled for \$3,363,396.00 on behalf of approximately 795 class members, and Judge Waters awarded 33.33% in fees.

Superior Court for the County of Sacramento:

- *Abella v. GHC OF SAC-SNF LLC*, settled for \$1.35 million on behalf of approximately 5,484 class members, and Judge Mesiwala awarded 33.33% in fees.
- *Johnson v. PMC Southwest, LLC*, settled for \$2.25 million on behalf of approximately 377 class members, and Judge Krueger awarded 33.33% in fees.
- *Mendez v. SSP America SMF, LLC*, settled for \$650,000.00 on behalf of 173 class members, and Judge Damrell awarded 35% in fees.
- *Muniz/Wine v. Sutter Valley Hospitals*, settled for \$14,250,000.00 on behalf of approximately 25,995 class members, and Judge Damrell awarded 33.33% in fees.

Superior Court for the County of San Bernardino:

- *Alvarez v. Core States, Inc.*, settled for \$530,000.00 on behalf of approximately 45 class members, and Judge Garza awarded 40% in fees.
- *Booher v. The Poma Companies*, settled for \$650,000.00 on behalf of approximately 75 class members, and Judge Plotkin awarded 44% in fees.
- *Bracy v. Speedy Cash*, settled for \$237,320.00 on behalf of approximately 222 class members, and Judge Kayashima awarded 22.69% in fees.
- *Christensen v. Heartland Express Inc. of Iowa*, settled for \$10.25 million on behalf of approximately 1,717 class members and 984 members of a FLSA collective, and Judge Cohn awarded 33.33% in fees.

- *Jeffries v. Praxair Services, Inc.*, settled for \$373,000.00 on behalf of approximately 23 class members, and Judge Garza awarded 35% in fees.
- *Malone v. Praxair, Inc.*, settled for \$900,000.00 on behalf of approximately 57 class members, and Judge Davis awarded 40% in fees.
- *McCray v. Wireless World, LLC et al.*, settled for \$1million on behalf of approximately 1,300 class members, and Judge Pacheco awarded 40% in fees.
- *Sala v. Personnel Staffing*, settled for \$40,000.00 on behalf of approximately 47 class members, and Judge Cohn awarded 40% in fees.
- *Sala v. Radial South, L.P.*, settled for \$350,000.00 on behalf of 251 class members, and Judge McCarville awarded 40% in fees.
- *Salazar v. PODS Enterprises, LLC.*, settled for \$1,360,632.00 on behalf of approximately 654 class members, and Judge Ortiz awarded 33.33% in fees.
- *Scaglione v. M.O. Dion & Sons, Inc.*, settled for \$585,000.00 on behalf of approximately 123 class members, and Judge Garza awarded 30% in fees.
- *Taylor v. Penske Logistics LLC.*, settled for \$1,455,000.00 on behalf of approximately 5,791class members, and Judge David Cohn awarded 33% in fees.

Superior Court for the County of San Diego:

- *Andrew v. Coronado Brewing Company, INC.*, settled for \$650,000.00 on behalf of approximately 635 class members, and Judge Freestone awarded 33.33% in fees.
- *Arriaga v. International Coffee & Tea*, settled for \$1.25 million on behalf of 479 class members, and Judge Bacal awarded 33.33% in fees.
- *Baker v. Select Comfort Retail Corp.*, settled for \$1.2 million on behalf of approximately 426 class members, and Judge Wohlfeil awarded 33.33% in fees.
- *Barron v Green Farms, Inc.*, settled for \$650,000.00 on behalf of approximately 154 class members, and Judge Pollak awarded 33.33% in fees.
- *Basile v. Aaron Brothers, Inc.*, settled for \$750,000.00 on behalf of approximately 2,000 and Judge Katz awarded 32.44% in fees.
- *Bergman v. BJS&T Enterprises, Inc.*, settled for \$200,000.00 on behalf of 99 class members, and Judge Frazier awarded 33.33% in fees.

- *Berry v. Sizzling Platter, LLC*, settled for \$950,000.00 on behalf of approximately 2,654 class members, and Judge Frazier awarded 33% in fees.
- *Broadnax v. Amazing Courier Express Services, LLC.*, settled for \$1.15 million on behalf of approximately 639 class members, and Judge Mangione awarded 33% in fees.
- *Carson v. Downtown San Diego Partnership Clean and Safe*, settled for \$200,000.00 on behalf of 99 aggrieved employees, and Judge Bacal awarded 33.33% in fees.
- *Chavez v. Real Time Staffing Services, Inc.*, settled for \$1.9 million on behalf of approximately 3,120 class members, and Judge Medel awarded 35% in fees.
- *Clancy v. Scripps Health*, settled for \$6.4 million on behalf of approximately 124 class members, and Judge Meyer awarded 33% in fees.
- *Costa v. Altman Specialty Plants, Inc.*, settled for \$2.4 million on behalf of approximately 4,414 class members, and Judge Hayes awarded 33.33% in fees.
- *Dadafshar v. KT Hotels, LLC, dba Pendry Hotel*, settled for \$515,000.00 on behalf of 892 class members, and Judge Pollack awarded 33.3% in fees.
- *De La Rosa v. Quten Research Institute, LLC*, settled for \$450,000.00 on behalf of approximately 402 class members, and Judge Meyer awarded 33.33% in fees.
- *Demers v. Hotcakes No. 3, Inc.*, settled for \$150,000.00 on behalf of approximately 300 class members, and Judge Nevitt awarded 33% in fees.
- *Dew v. Minegar Contracting, Inc.*, settled for \$525,150.00 on behalf of approximately 270 class members, and the Judge Sturgeon awarded 35% in fees.
- *Downey v. Sears Roebuck and Co. (Representative Action)*, settled for \$875,000.00 on behalf of approximately 1,200 aggrieved employees, and Judge Sturgeon awarded 33.33% in fees.
- *Escoto-Miranda v. Evans Tire & Service Centers, Inc.*, settled for \$800,000.00 on behalf of approximately 450 class members, and Judge Strauss awarded 33% in fees.
- *Falcon v. Flight Suits, Inc.*, settled for \$450,000.00 on behalf of approximately 101 class members, and Judge Denton awarded 33.33% in fees.
- *Fay v Cement Cutting, Inc.*, settled for \$720,000.00 on behalf of approximately 376 class members, and Judge Bacal awarded 33.33% in fees.
- *Fennessey v. Round Table Pizza, Inc.*, settled for \$2.125 million on behalf of approximately 16,333 class members, and Judge Lewis awarded 28% in fees.

- *Frayre v. United Parcel Services Supply Chain Services, Inc.*, settled for \$494,000.00 on behalf of approximately 55 class members, and Judge Sturgeon awarded 33.33% in fees.
- *Garcia v. Task Ventures, LLC*, settled for \$822,856.50 on behalf of approximately 2,700 class members, and Judge Wohlfeil awarded 40% in fees.
- *Geilenfeldt v. EDF Renewable Energy, Inc.*, settled for \$2.5 million on behalf of approximately 144 class members, and Judge Sturgeon awarded 33.33% in fees.
- *Gonzalez v. Coronado Yacht Club*, settled for \$330,000.00 on behalf of approximately 193 class members, and Judge Mangione awarded 33.33% in fees.
- *Headley v. Professional Maintenance Systems, Inc.*, settled for \$3.15 million on behalf of approximately 3,851 class members, and Judge Frazier awarded 30% in fees.
- *Huerta v. Venture Petroleum Company, Inc.*, settled for \$300,000.00 on behalf of approximately 513 class members, and Judge Wohlfeil awarded 33.33% in fees.
- *Irmen v. Raphael's Party Rentals*, settled for \$1 million on behalf of approximately 845 class members, and Judge Lewis awarded 40% in fees.
- *Johnson v. The SoCo Group, Inc.*, settled for \$895,000.00 on behalf of approximately 218 class members, and Judge Lewis awarded 33.33% in fees.
- *Julio v. L&M Tire Company, Inc.*, settled for \$1.85 million on behalf of approximately 1,087 class members, and Judge Barton awarded 33% in fees.
- *Lopez v. Struc Steel, Inc.*, settled for \$55,000.00 on behalf of approximately 30 aggrieved employees, and Judge Joel R. Wohlfeil awarded 35% in fees.
- *Loveless v ASM Affiliates*, settled for \$750,000.00 on behalf of approximately 276 class members, and Judge Styn awarded 33.33% in fees.
- *Maasrani v. International Hotel Associates No. 11 LLC*, settled for \$540,000.00 on behalf of approximately 140 class members, and Judge Sturgeon awarded 33.33% in fees.
- *Madriz v. North County Ford, Inc.*, settled for \$188,000.00 on behalf of approximately 45 class members, and Judge Wohlfeil awarded 33.33% in fees.
- *Malveda v. Providien LLC*, settled for \$5,500,000.00 on behalf of approximately 1099 class members, and Judge McLaughlin awarded 35% in fees.
- *Mandell v. Diversified Communications Services, Inc. (Representative Action)*, settled for \$50,000.00 on behalf of approximately 55 aggrieved employees, and Judge Frazier approved 33.33% in fees.

- *Martinez v. San Diego Auto Scrubber, Inc.*, settled for \$500,000.00 on behalf of approximately 148 class members, and Judge Hayes awarded 33.33% in fees.
- *Morales v. Sony Electronics, Inc.*, settled for \$450,100.00 on behalf of approximately 4,742 class members, and Judge Styn awarded 65.82% in fees.
- *Moreno v. Providence Group, Inc.*, settled for \$775,000.00 on behalf of approximately 486 class members, and Judge Frazier awarded 30% in fees.
- *Nathan v. OS Restaurant Services, LLC*, settled for \$450,000.00 on behalf of approximately 748 class members and aggrieved employees, and Judge Keri Kats awarded 33% in fees.
- *Parvizi v. Classic Residence Management, LP*, settled for \$1 million on behalf of approximately 1,409 class members, and Judge Wohlfeil awarded 33.33% in fees.
- *Pham v. George's at the Cove, Inc. dba George's at the Cove #4032*, settled for \$340,000.00 on behalf of approximately 519 class members, and Judge Bacal awarded 33.33% in fees.
- *Pina v. Paradise Wings Enterprise*, settled for \$150,000.00 on behalf of approximately 248 class members, and Judge Taylor awarded 33.33% in fees.
- *Robles v. Jetro Holdings, LLC.*, settled for \$4,100,000.00 on behalf of approximately 6,183 class members, and Judge Sturgeon awarded 33.33% in fees.
- *Sanchez v. Evans Tire and Service Centers, Inc.*, settled for \$750,000.00 on behalf of approximately 401 class members, and Judge Sturgeon awarded 33.33% in fees.
- *Serrano v KSL Corona, L.P.*, settled \$325,000.00 on behalf of approximately 261 aggrieved employees, and Judge Meyer awarded 33.33% in fees.
- *Solis v. Check Agencies of California, Inc.*, settled for \$475,000.00 on behalf of approximately 559 class members, and Judge Taylor awarded 35% in fees.
- *Spriggs v. Ortiz Corporation*, settled for \$300,000.00 on behalf of approximately 198 class members, and Judge Katz awarded 33.33% in fees.
- *Thompson v. LawInfo.com, Inc.*, settled for \$150,000.00 on behalf of approximately 115 class members, and Judge Enright awarded 33.33% in fees.
- *Twombly v. Del Frisco's*, settled for \$950,000.00 on behalf of approximately 1,800 aggrieved employees, and Judge Sturgeon awarded 33.33% in fees.
- *Uriostegui v. Pacific Drive-Ins, LLC.*, settled for \$590,000.00 on behalf of approximately 2,645 class members, and Judge Caietti awarded 33.33% in fees.

- *Vega v. Scoobeez*, settled for \$2,512,390.91 on behalf of approximately 5,271 class members, and Judge Whitney awarded 33.33% in fees.
- *Well v. Hooters of America, Inc.*, settled for \$1.35 million on behalf of approximately 2,300 class members, and Judge Wohlfeil awarded 35% in fees.
- *Zamorano v. Piperin Corporation*, settled for \$121,887.00 on behalf of approximately 51 class members, and Judge Pollack awarded 33.33% in fees.

Superior Court for the County of San Francisco:

- *Casas v. Pacific Bell Telephone Co.*, settled for \$6 million on behalf of approximately 464 class members, and Judge Goldsmith awarded 23% in fees.
- *Simpkins v. GPS Consumer Direct, Inc.*, settled for \$1.6 million on behalf of approximately 3,295 class members, and Judge Cheng awarded 33.33% in fees.

Superior Court for the County of San Joaquin:

- *Tunchez/Cooper v. Thomas Cuisine Management, LLC.*, settled for \$3,350,000.00 on behalf of approximately 1,783 class members, and Judge Lee awarded 33.33% in fees.

Superior Court for the County of San Luis Obispo:

- *Hernandez v. All Ways Clean* (Representative Action), settled for \$205,000.00 on behalf of approximately 642 aggrieved employees, and Judge Coates granted 35% in fees.
- *Martinez v. Zoo Med Laboratories*, settled for \$600,000.00 on behalf of approximately 330 aggrieved employees, and Judge Coates awarded 33% in fees.

Superior Court for the County of Santa Barbara:

- *Ramirez v Baker Hughes Oilfield Operations (Baker Hughes Wage and Hour Cases)*, settled for \$2.75 million on behalf of 165 class members, and Judge Anderle awarded 33.33% in fees.

Superior Court for the County of Santa Clara:

- *Adami v. Prime Now LLC.*, settled for \$4.3 million on behalf of 44,172 class members, and Judge Zayner awarded 33.33% in fees.

- *Allison v. Super Zen, Inc.*, settled for \$235,300.00 on behalf of approximately 26 class members, and Judge Lucas awarded 33.33% in fees.
- *Edwards v. Absolute Senior Solutions, et al.*, settled for \$244,000.00 on behalf of approximately 134 aggrieved employees, and Judge Zayner awarded 33.33% in fees.
- *Hefner v. Solary, LLC.*, settled for \$750,000.00 on behalf of approximately 67 class members, and Judge Kulkarni awarded 33.33% in fees.
- *Ledbetter v. Entrepreneurial Ventures, Inc.*, settled for \$1.8 million on behalf of approximately 754 class members, and Judge Overton awarded 33.33% in fees.
- *Letuligasenoa v. International Paper Company*, settled for \$4.5 million on behalf of approximately 3,786 class members, and Judge Errand awarded 33.33% in fees with a 1.47 multiplier.
- *Suarez v. First Alarm Security & Patrol, Inc.*, settled for \$7.25 million on behalf of approximately 3,786 class members, and Judge Walsh awarded 33.33% in fees.
- *Subia v. National Securities Industries, Inc.*, settled for \$275,000.00 on behalf of approximately 187 class members, and Judge Lucas awarded 30% in fees.

Superior Court for the County of Solano:

- *Apodaca v. Randstad US, LLC.*, settled for \$275,000.00 on behalf of approximately 675 aggrieved employees, and Judge Gizzi awarded 33.33% in fees.
- *O'Neal v. Old Navy, LLC.*, settled for \$2.5 million on behalf of approximately 22,652 class members, and Judge Jones awarded 25% in fees.
- *Roberson v. Ghiringhelli Specialty Foods*, settled for \$375,000.00 on behalf of approximately 1,324 aggrieved employees, and Judge Getty awarded 33.33% in fees.
- *Saechao v. Pla-Fit Franchise d.b.a. Planet Fitness*, settled for \$325,000.00 on behalf of approximately 149 class members, and Judge Mattice awarded 25% in fees.
- *Stafford v. Dollar Tree Stores, Inc.*, settled for \$4.6 million on behalf of approximately 7,737 class members, and Judge Beeman awarded 33.33% in fees.
- *Stoddart v. Heavy Metal Iron, Inc.*, settled for \$150,000.00 on behalf of approximately 17 aggrieved employees, and the Judge Carringer awarded 25% in fees.
- *Turnage v. Park Management Corporation*, settled for \$400,000.00 on behalf of approximately 214 class members, and Judge Daniels awarded 33.33% in fees.

Superior Court for the County of Tulare:

- *Lopez v. Ruiz Food Products, Inc.*, settled for \$547,500.00 on behalf of approximately 2,233 class members, and Judge Hillman awarded 33% in fees.

Superior Court for the County of Ventura:

- *Jackson v. Vulcan Materials Co.*, settled for \$800,000.00 on behalf of approximately 103 class members, and Judge Bysshe awarded 37.5% in fees.
- *Laux v. Van Nuys Skyways, Inc.*, settled for \$800,000.00 on behalf of approximately 70 class members, and Judge Riley awarded 35% in fees.

EXHIBIT 4

August 9, 2022

Attorneys at Law

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San Diego, California 92103
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VIA ELECTRONIC FILING

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

CERTIFIED MAIL (RETURN RECEIPT)

GB Auto Service, Inc.
3945 E Fort Lowell Rd., Suite 211
Tucson, AZ 85712

GB Auto Service, Inc.
c/o C T Corporation System, Agent for Service of Process
330 N Brand Blvd., Suite 700
Glendale, CA 91203

Re: John Johnson's PAGA Claims against GB Auto Service, Inc.

Dear California Labor and Workforce Development Agency and GB Auto Service, Inc.:

Please be advised that John Johnson ("Claimant") has retained our firm, GrahamHollis APC, to represent him for various claims against his former employer GB Auto Service, Inc. (the "Company").

This letter shall serve as Claimant's written notice to the California Labor and Workforce Development Agency ("LWDA") and the Company of the alleged California Labor Code ("Labor Code") violations Claimant claims that the Company committed against him and all other current and former non-exempt employees of the Company who worked in California during the relevant statutory period. Claimant provides this notice, which includes the facts and theories to support his Labor Code violations alleged herein, in accordance with the Private Attorneys General Act of 2004 (codified in Labor Code §§ 2698 *et seq.*, "PAGA"), Labor Code section 2699.3.

Pursuant to Labor Code section 2699(a), and by way of this letter, Claimant intends to represent himself and all current and former non-exempt employees of the Company who have performed work in California during the relevant time period (referred to herein as "Aggrieved Employees"). All Aggrieved Employees, including Claimant, are believed to have suffered at least one of the Labor Code violations described herein. Claimant therefore contends that he and all other Aggrieved Employees are "aggrieved employees" as defined by the PAGA.

Graham S.P. Hollis

Vilmarie Cordero

Hali Anderson

Nathan Reese

David Lin

Erik Dos Santos

Nora Steinhagen

Alyssa Smith*

Allison Schubert

Dustin S. Delp

Alex Kuner

Dawn M. Berry

*Provisionally Licensed Lawyer

FACTUAL BACKGROUND

GB Auto Service, Inc. (“GB Auto”) is a Delaware corporation authorized to do business in the state of California. GB Auto is believed to operate as a provider of automotive aftermarket repair services, which offers tire replacement, brake repair, and other under-car services such as alignment, air conditioning, exhaust, and oil changes to customers throughout the United States, including California.

Claimant was employed by, or otherwise performed work for, the Company, from approximately December 10, 2012 through and including February 1, 2022. Claimant performed work for the Company as a store manager at Evans Tire & Service Centers, Inc. in El Cajon, California. As a store manager, Claimant’s responsibilities included, but were not limited to, hiring and firing employees, reviewing and approving employee timesheets, processing payroll, and managing the day-to-day store operations. During his employment, Claimant typically worked six (6) days a week, twelve (12) hour shifts, for a total of approximately sixty (60) to seventy-two (72) hours per week. Claimant earned \$20.00 per hour plus 10% of the location’s weekly profits if he stayed within budget. At all relevant times, Claimant earned an hourly wage, was to be paid biweekly, and was classified by the Company as a non-exempt employee for purposes of the Labor Code and the Industrial Welfare Commission (“IWC”) Wage Orders.

Claimant contends that at all relevant times, the Company employed, and continues to employ, Aggrieved Employees in California. Claimant further contends, based on information and belief, that all policies, practices, procedures, and/or guidelines of the Company that were applicable to Claimant were also applicable to all Aggrieved Employees throughout the relevant time period. Moreover, Claimant asserts, based on information and belief, that he and all other Aggrieved Employees have suffered, and will continue to suffer, the same and/or similar violations of law described herein.

Claimant alleges that the Company denied, and continues to deny, Claimant and other Aggrieved Employees the rights afforded to them under the Labor Code and the applicable IWC Wage Order. Specifically, Claimant asserts that the Company failed to provide meal periods and/or timely pay premium wages; failed to provide rest periods and/or timely pay premium wages; failed to timely pay all minimum, regular, and/or overtime wages; failed to furnish accurate itemized wage statements; and failed to timely pay all wages due and owing upon separation of employment and/or the required waiting time penalties.

Claimant contends that the Company had, and continues to have, a policy, practice, procedure, and/or guideline of not providing Aggrieved Employees, including Claimant, with the opportunity to take thirty (30) minute, off-duty, uninterrupted meal periods that were free from the employer’s control when they worked more than six (6) hours in a day. Claimant also alleges that the Company had, and continues to have, a policy, practice, procedure, and/or guideline of not providing Claimant and other Aggrieved Employees with the opportunity to take a second thirty (30) minute, off-duty, uninterrupted meal period that was free from the employer’s control when they worked more than ten (10) hours in a day.

Claimant asserts that he and other Aggrieved Employees were not provided with the opportunity to take legally compliant meal periods because the Company had, and continues to have, a policy, practice, procedure, and/or guideline of not providing adequate coverage for Claimant and other Aggrieved Employees to take a thirty (30) minute meal period. For example, Claimant was typically the only employee working in the front of the store and thus could not leave the worksite unattended to take a compliant meal period. As a result, Claimant and, on information and belief, other Aggrieved Employees were consistently interrupted during their meal periods, required to work through their meal periods, and/or not provided with meal periods at all. Furthermore, Claimant and, on information and belief, other Aggrieved Employees did

not sign an on-duty meal period agreement at any point during their employment, nor did they properly waive their meal periods.

Claimant further alleges that, despite working in excess of ten (10) hours per workday, the Company did not provide Claimant and other Aggrieved Employees with the opportunity to take a second thirty (30) minute, off-duty, uninterrupted meal period. This was due in part to the Company's practice of failing to provide adequate coverage to Aggrieved Employees so that they could take a second meal period. Therefore, Claimant and other Aggrieved employees were forced to forgo their second meal period. Moreover, Claimant and, on information and belief, other Aggrieved Employees did not mutually agree to waive their second meal period.

Claimant further alleges that when the Company paid a meal period premium, they failed to include all non-discretionary pay into the calculation of the regular rate of pay.

For the same reasons, Claimant and other Aggrieved Employees were not authorized or permitted by the Company to take an off-duty, uninterrupted, ten (10) minute rest period for every four (4) hours worked or major fraction thereof. Thus, Claimant contends that he and, on information and belief, other Aggrieved Employees were never provided with legally compliant rest periods.

Although Aggrieved Employees, including Claimant, did not receive legally compliant meal periods and/or rest periods, the Company did not timely pay Claimant and, on information and belief, other Aggrieved Employees premium wages equivalent to an additional one (1) hour of pay at their regular rate of pay for each day they were not provided compliant meal periods and/or rest periods. Therefore, the Company owes Claimant and, on information and belief, other Aggrieved Employees a meal and/or rest period premium for each workday that Claimant and other Aggrieved Employees were not provided with a compliant meal period and/or rest period.

Claimant asserts that the Company had, and continues to have, a policy, practice, procedure, and/or guideline of not timely paying all Aggrieved Employees for all minimum, regular, and/or overtime wages for all time engaged in work or spent under the control of the Company. As described herein, Claimant and, on information and belief, other Aggrieved Employees consistently worked through their meal periods. However, the Company did not consider the time spent by Claimant and other Aggrieved Employees working through their meal periods as compensable time and failed to provide any remuneration. Furthermore, Claimant and, on information and belief, other Aggrieved Employees often performed work while off the clock. For instance, Claimant regularly received phone calls from employees and upper management before and after his scheduled shift, even on his days off. However, the Company failed to compensate Claimant for the time spent on these work-related phone calls. Additionally, due in part to Claimant's workload and lack of adequate coverage, Claimant had to complete payroll while he was at home, as he did not have enough time to complete payroll at work. Although all time spent performing these duties was compensable work hours and the Company was required to compensate Claimant accordingly, the Company did not count all this time as hours worked and failed to provide any remuneration. Claimant also asserts that the Company failed to pay overtime at the correct regular rate of pay as the Company failed to factor bonuses into the regular rate of pay.

Additionally, Claimant is informed and believes that other employees are not properly compensated. Some aggrieved employees are paid a designated percentage of the gross margin on the sale depending on the size of the gross margin. These employees receive a fall-back rate of the minimum wage per hour if their pay under the Auto Technician Pay Program system during a pay period falls below the

applicable minimum wage. These employees' duties included advising customers of the products and services, and securing sales for the store. However, aggrieved employees were also required to perform other non-sales duties including, picking up tires and other parts for the store, picking up clients, cleaning the store, making bank deposits every day at the end of the day, doing inventory and stocking, attending trainings and meetings. As these aggrieved employees are paid on commission, none of this non-sales work was compensated and these aggrieved employees are also not separately compensated for rest breaks.

Thus, Claimant contends that he and other Aggrieved Employees were not timely paid all minimum, regular, and/or overtime wages for all hours worked and/or spent under the control of the Company, in violation of California law.

Claimant contends that the Company had, and continues to have, a policy, practice, procedure, and/or guideline of not furnishing Aggrieved Employees, including Claimant, with accurate itemized wage statements. For instance, Claimant contends that the wage statements issued by the Company to Aggrieved Employees, including Claimant, did not include the correct total regular and/or overtime hours worked, the correct amount of gross and/or net wages earned, the meal and/or rest premiums owed, and/or all applicable hourly rates and the corresponding number of hours worked at each hourly rate, among other things, as required under the Labor Code.

Furthermore, the Company failed to timely pay Claimant and, on information and belief, other former Aggrieved Employees all wages due and owing upon separation of employment, including minimum, regular, and/or overtime wages for all hours worked and meal and/or rest period premium wages, in part due to the aforementioned Labor Code violations. For instance, despite being terminated from his employment by the Company, the Company did not immediately pay Claimant all of his wages due and owing, including, but not limited to, all minimum, regular, overtime, and/or premium wages due in part to the violations discussed herein. After reaching out to Human Resources, Claimant was informed that his final paycheck was sent to a different state. As a result, Claimant was terminated on February 1, 2022, and did not receive his final paycheck until February 4, 2022. However, Claimant alleges that he has not been paid the bonuses he was due to receive for January and February 2022, despite multiple requests to the Company to be paid these bonuses. Accordingly, Claimant contends that, to date, he has not received all wages owed nor the required waiting time penalties. Claimant further contends that, on information and belief, other former Aggrieved Employees were not timely paid all wages due and owing upon separation of employment and/or the required waiting time penalties.

Due to the foregoing Labor Code violations, the Company denied, and continues to deny, Claimant and other Aggrieved Employees certain rights afforded to them under the Labor Code and the applicable IWC Wage Order. Claimant makes these claims against the Company on behalf of himself and all other Aggrieved Employees.

All facts, claims and/or legal theories contained within this written notice are alleged and/or asserted on behalf of Claimant and all other Aggrieved Employees. The facts and/or claims contained in this written notice are based on the information available at the time of this writing. Since Claimant's investigation is ongoing, Claimant reserves his right to assert any and all related facts, claims, and/or theories of liability discovered after the sending of this letter on behalf of himself and other current or former Aggrieved Employees against the Company and/or other persons that may be discovered after the sending of this letter. Such other persons may include, but are not limited to, those persons who have acted as an agent, subsidiary, servant, employee, co-conspirator, alter-ego, and/or joint venture of the Company, as well as those persons who caused and/or concurrently contributed to the various acts and/or admissions

of each and every one of the others, including the Company, in proximately causing the wrongful conduct, harm, and/or damages alleged herein or otherwise participated in or ratified any or all of the acts and/or omissions complained herein, and those who were acting within the authority and/or scope of the Company. Claimant reserves the right to revise these facts and/or add any new claims by amending this letter and/or by adding facts and/or claims to his civil complaint.

FAILURE TO PROVIDE MEAL PERIODS AND/OR TIMELY PAY PREMIUM WAGES
(Labor Code §§ 204, 226.7, 512, 558, and the “Meal Periods” section of the applicable IWC Wage order)

Section 512(a) of the Labor Code provides:

An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived. (Emphasis added.)

In pertinent part, the “Meal Periods” section of the applicable IWC Wage Order states:

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee.

(B) An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

(C) Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an “on duty” meal period and counted as time worked. An “on duty” meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The written agreement shall state that the employer may, in writing, revoke the agreement at any time.

(D) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall

pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.

(E) In all places of employment where employees are required to eat on the premises, a suitable place for that purpose shall be designated.

A meal period generally comports with the requirements of California law if the employee has at least 30-minutes uninterrupted and the employee is relieved of any and all duty and is free to leave the premises during such time. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1036.) California law further prohibits employers from "...undermining [its] formal policy of providing meal breaks by pressuring employees to perform their duties in ways that omit breaks." (*Id.* at 1040 [internal citations omitted].)

Pursuant to Labor Code section 226.7(c):

If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

Labor Code section 558 subjects any employer or any person acting on behalf of an employer who violates Labor Code Part 2, Chapter 1, of the Labor Code (Labor Code §§ 500-558), or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty as follows: "[f]or any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid. For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid."

Labor Code section 204 establishes an employee's fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code section 226.7 are wages that are due payable in accordance with the Labor Code section 204. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103-1114.)

As set forth above, the Company failed to provide Claimant and other Aggrieved Employees with the opportunity to take uninterrupted, off-duty meal periods of at least thirty (30) minutes before the start of their sixth (6th) hour of work and/or a second off-duty thirty (30) minute meal period when they worked in excess of ten (10) hours. Consequently, Claimant and other Aggrieved Employees are entitled to receive an additional one (1) hour of pay at their regular rate of compensation for each day a legally compliant meal period was not provided. Therefore, the Company has violated California law. Claimant will pursue all available remedies against the Company for its violations of the Labor Code and relevant IWC Wage Order on behalf of himself and all Aggrieved Employees to the extent permitted by law.

FAILURE TO PROVIDE REST PERIODS AND/OR TIMELY PAY PREMIUM WAGES
(Labor Code §§ 204, 226.7, and the “Rest Periods” section of the applicable IWC Wage Order)

The “Rest Periods” section of the applicable IWC Wage Order provides:

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

(B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided.

An employer has not authorized or permitted lawful off-duty rest periods unless the employer relieves its employees of any and all work-related duties and relinquishes all control over how its employees spend their time during rest periods. (*Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 267, 269.)

In pertinent part, Labor Code section 226.7 provides:

(b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and health.

(c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for workday that the meal or rest or recovery period is not provided.

Labor Code section 204 establishes an employee’s fundamental right in the state of California to be paid wages in a timely manner for their work. Premium wages under Labor Code section 226.7 are wages that are due payable in accordance with the Labor Code section 204. (*Murphy, supra*, 40 Cal.4th at 1103-1114.)

As discussed herein, the Company failed to authorize and permit Claimant and, on information and belief, other Aggrieved Employees with an off-duty, uninterrupted ten (10) minute rest period for every four (4) hours worked or major fraction thereof. Therefore, Claimant and other Aggrieved Employees are

entitled to receive one (1) hour of premium wages for each day a legally compliant rest period was not provided. Claimant will pursue all available remedies against the Company for its violations of law on behalf of himself and all Aggrieved Employees to the extent allowed by law.

FAILURE TO TIMELY PAY ALL MINIMUM, REGULAR, AND/OR OVERTIME WAGES

(Labor Code §§ 204, 210, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198, and the “Minimum Wages” and “Hours and Days of Work” sections of the applicable IWC Wage Order)

Labor Code section 204 establishes an employee’s fundamental right in the state of California to be paid wages in a timely manner for their work. Specifically, Labor Code section 204(a) states that all wages earned are due and payable on twice during each calendar month on days designated in advance by the employer as regular pay days. Overtime wages are to be paid no later than the payday for the next regular payroll period. (Labor Code § 204(b)(1).)

Labor Code section 1197 states, “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” (See *Gonzalez v. Downtown LA Motors, LP* (2013) 215 Cal.App.4th 36, 44 [providing that an employer may not pay “less than the applicable minimum wage for all hours worked in the payroll period, whether the remunerations is measured by time, piece, commission, or otherwise.”].)

The “Minimum Wages” section of the applicable IWC Wage Order further provides that every employer shall pay to each employee not less than the applicable minimum wage per hour for all hours worked.

The applicable IWC Wage Order defines the term “hours worked” as “the time 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.”

Additionally, Labor Code section 1197.1 further provides:

Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203...

Labor Code sections 510(a), which codifies an employee’s right to overtime compensation, provides:

Eight hours of labor constitutes a day’s work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in

excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.

The “Hours and Days of Work” section of the applicable IWC Wage Order mandates the same requirements as Labor Code section 510. Under California law, an employee may not waive his or her right to overtime compensation. (*Early v. Superior Court* (2000) 79 Cal.App.4th 1420, 1430.)

Labor Code section 1194(a) states:

Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.

Labor Code section 1194.2 allows for the recovery of liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon.

Labor Code section 1198 further states:

The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.

Labor Code section 210 also states that, “every person who fails to pay the wages of an employee as provided in Section...204...shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

As set forth above, the Company has a policy, practice, procedure, and/or guideline of failing to timely pay all minimum, regular, and/or overtime wages to Claimant and, on information and belief, other Aggrieved Employees for all hours actually worked on the date designated in advance by the Company as the regular pay day. For instance, the Company did not compensate Claimant and other Aggrieved Employees for time spent performing work through their meal periods and while off the clock. Claimant will pursue all available remedies against the Company for its violations of the Labor Code on behalf of himself and all Aggrieved Employees to the extent permitted by law.

FAILURE TO PAY FOR SEPARATE REST PERIOD COMPENSATION AND NON-PRODUCTIVE WORK
(Labor Code § 226.2)

Labor Code section 226.2 states in pertinent part that “for employees compensated on a piece-rate basis during a pay period, the following shall apply for that pay period: (1) Employees shall be compensated for rest and recovery periods and other nonproductive time separate from any piece-rate compensation. (2)

“[A] piece-rate compensation formula that does not compensate separately for rest periods does not comply with California minimum wage law.” *Bluford v. Safeway Inc.*, 216 Cal. App. 4th 864, 872 (2013).

As set forth above, the Company failed to pay for all non-productive and failed to separately compensate other aggrieved employees for rest periods. Claimant will pursue all available remedies for the Companies’ violations on behalf of himself and other aggrieved employees to the extent allowed by law.

FAILURE TO FURNISH ACCURATE ITEMIZED WAGE STATEMENTS

(Labor Code §§ 226, 226.3, and the “Records” section of the applicable IWC Wage Order)

Labor Code section 226(a) states, in pertinent part:

Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number, (8) the name and address of the legal entity that is the employer, ... and (9) all applicable hourly rates in effect during each period and the corresponding number of hours worked at each hourly rate by the employee...

Labor Code section 226(e)(1) provides:

An employee suffering injury as a result of 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 (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.

Labor Code section 226(h) further states, “an employee may also bring an action for injunctive relief to ensure compliance with this section and is entitled to an award of costs and reasonable attorneys’ fees.”

Labor Code section 226.3 imposes an additional civil penalty of \$250 per employee per violation in an initial citation and \$1,000 per employee per violation for any subsequent violation on the employer for violations of Labor Code section 226(a).

As discussed herein, the Company failed to furnish Claimant and other Aggrieved Employees with accurate itemized wage statements that comply with the requirements of the Labor Code because the wage statements issued did not, among other things, include the correct total regular and/or overtime hours

worked, the correct amount of gross and/or net wages earned, all applicable hourly rates, the corresponding number of hours worked at each hourly rate, and all meal and rest premiums owed at the correct regular rate of pay. Claimant will pursue all available remedies against the Company for its violations of the Labor Code on behalf of himself and all Aggrieved Employees to the extent permitted by law.

**FAILURE TO TIMELY PAY ALL WAGES DUE AND OWING UPON SEPARATION OF
EMPLOYMENT AND/OR THE REQUIRED WAITING TIME PENALTIES**

(Labor Code §§ 201, 202, and 203)

Labor Code section 201 states, in pertinent part, “[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Premium wages constitute wages under Labor Code section 204. (*Murphy, supra*, 40 Cal.4th at 1103-1114.)

Labor Code section 202 provides, in pertinent part:

If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Labor Code section 203(a) further states:

If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, ... any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days.

As set forth above, the Company violated these Labor Code sections by not timely paying to Claimant and other former Aggrieved Employees all minimum, regular, and/or overtime wages, as well as meal and/or rest period premium wages, within the required time upon separation of their employment. Furthermore, Claimant did not receive his final paycheck at the time he was terminated, nor did he receive two bonuses for staying within budget for the past two months of his employment. Claimant will pursue all available remedies against the Company for its violations of California law on behalf of himself and all former Aggrieved Employees to the extent allowed by law.

CIVIL PENALTIES FOR VIOLATION OF THE LABOR CODE AND IWC WAGE ORDERS

(Labor Code §§ 210, 226.3, 558, 558.1, 1174.5, 1197.1, and 2699(f))

Labor Code section 210 provides that any person who fails to pay wages as provided in sections 204, 204(b), and 1197.5 shall be subject to a civil penalty of \$100 for any initial violation for each failure to pay each employee and for each subsequent violation, or any willful or intentional violation, \$200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty.

For violations of Labor Code section 226(a), Labor Code section 226.3 imposes a civil penalty of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

Labor Code section 558 subjects any employer or any person acting on behalf of an employer who violates Labor Code Part 2, Chapter 1, of the Labor Code (Labor Code §§ 500-558), or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty as follows: “[f]or any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid. For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid.”

Labor Code section 558.1(a) further states that,

“[a]ny employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wage or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.”

Pursuant to Labor Code section 558.1(b), Labor Code section 558.1(a) is applicable to the owners, officers, directors, or managing agents of the employer.

For violations of Labor Code section 1174 subdivisions (b), (c), and (d), Labor Code section 1174.5 imposes a civil penalty of \$500.

Similarly, Labor Code section 1197.1 subjects any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Labor Code section 203 as follows:

(1) For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (2) For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (3) Wages, liquidated damages, and any applicable penalties imposed pursuant to § 203, recovered pursuant to this section shall be paid to the affected employee.

Labor Code section 2699(f) imposes a civil penalty of \$100 per pay period, per employee for the initial violation and \$200 per pay period, per employee for each subsequent violation for all Labor Code provisions for which a civil penalty is not specifically provided, including, but not limited to, Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512, 1174(c), 1174(d), 1194, 1197, 1197.1, 1197.5, 1198, 2802, and relevant IWC Wage Orders.

As set forth above, the Company violated the Labor Code and IWC Wage Order by, among other things, failing to provide meal periods and/or timely pay premium wages; failing to provide rest periods and/or timely pay premium wages; failing to timely pay all minimum, regular, and/or overtime wages; failing to furnish accurate itemized wage statements; and failing to timely pay all wages due and owing upon separation of employment and/or the required waiting time penalties. As a result, the Company is liable for civil penalties under Labor Code sections 210, 226.3, 558, 558.1, 1197.1, and 2699(f). Claimant will pursue all available remedies including, but not limited to, those stated herein, for the Company's violations of the Labor Code and IWC Wage Order on behalf of himself and other Aggrieved Employees to the extent permitted by law.

ATTORNEY'S FEES, COSTS, INTEREST, LIQUIDATED DAMAGES AND PENALTIES

(Labor Code §§ 210, 218.5, 218.6, 226(e), 558, 1194, 1194.2, 1197.1, and 2698, *et seq.*)

Labor Code sections 210, 218.5, 218.6, 226(e), 558, 1194, 1194.2, 1197.1, and 2698, *et seq.*, among others, give employees the right to recover in a civil action the full amount of damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorneys' fees and costs.

Pursuant to Labor Code section 2699(i), an aggrieved employee, such as Claimant, is entitled to collect 25% of the penalty assessment. Under Labor Code section 2699(g)(1), an aggrieved employee, such as Claimant, is entitled to an award of reasonable attorneys' fees and costs. Accordingly, the Company is liable for these items. Claimant has already incurred actual damages, costs and attorneys' fees and he will continue to incur such costs as a result of the Company's unlawful actions. Claimant will pursue all available remedies against the Company, including those provided by PAGA, on behalf of himself and other Aggrieved Employees to the extent permitted by California law for the violations of law described herein and those that may be later discovered.

CONCLUSION

Based on the foregoing, the Company has violated the Labor Code and the applicable IWC Wage Order, thereby depriving Claimant and other Aggrieved Employees of the rights and protections afforded to them. Specifically, Claimant contends that the Company violated Labor Code sections 201-204, 210, 224, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, and 1198, as well as the applicable IWC Wage Order. Claimant has satisfied the prerequisites of the PAGA to serve as a representative of all Aggrieved Employees, the general public, and the state of California in order to enforce California labor laws and to seek civil penalties for the provisions set forth herein, as well as those which may be later discovered.



Accordingly, if the LWDA declines to intervene or act within time prescribed by the PAGA, Claimant may elect to initiate and/or amend a civil action, on behalf of himself and all other aggrieved employees.

Sincerely,

A handwritten signature in black ink, appearing to read "Erik Dos Santos". The signature is stylized with a large "E" and a prominent "S" at the end.

Erik Dos Santos

cc: Klinedinst PC
Thomas E. Daugherty, Esq.
501 W Broadway, Suite 600
San Diego, CA 92101