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an individual on behalf of himself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

RICARDO ANTONIO PEREZ FLORES,  
individuals and on behalf of himself and  
others similarly situated,

Plaintiff,

v.

L.A. HARDWOOD FLOORING, INC., a  
California Corporation; and DOES 1 through  
50, inclusive,

Defendant.

Case No.: 22STCV26518

**CLASS ACTION**

Assigned for All Purposes To:  
Hon. David S. Cunningham III  
Division: 11 – Spring Street Courthouse

**SUPPLEMENTAL DECLARATION OF  
ALVIN B. LINDSAY IN SUPPORT OF  
PLAINTIFF’S MOTION FOR  
PRELIMINARY APPROVAL OF THE  
PARTIES’ CLASS ACTION AND PAGA  
SETTLEMENT AGREEMENT**

Date: June 10, 2025  
Time: 10:30 a.m.  
Location: Division 11

Original Complaint Filed: August 16, 2022  
Amended Complaint Filed: October 25, 2022  
Trial Date: None Set.

1                                    **SUPPLEMENTAL DECLARATION OF ALVIN B. LINDSAY**

2            I, Alvin B. Lindsay, declare as follows:

3            1.        I am an attorney licensed and admitted to practice before all courts of the State of  
4 California and the United States District Court for the Central, Southern, Eastern, and Northern  
5 Districts of California. I am Senior Counsel at D.Law, Inc. and counsel for plaintiff Ricardo  
6 Antonio Perez Flores (“Plaintiff”), on behalf of himself and other similarly situated employees of  
7 Defendant L.A. Hardwood Flooring, Inc. (“Defendant”) (Plaintiff and Defendant collectively, “the  
8 Parties”). All of the matters set forth herein are within my personal knowledge. I submit this  
9 Supplemental Declaration in support of Plaintiff’s Motion for Preliminary Approval of the Parties’  
10 Class Action and PAGA Settlement Agreement (“Motion”).

11           2.        On December 18, 2024, Plaintiff filed a Motion for Preliminary Approval of the  
12 Parties’ Memorandum of Understanding and Class and Private Attorneys General Act Settlement  
13 (“MOU”). Plaintiff’s motion was based on the Parties’ MOU as the Parties were unable to timely  
14 execute a class and PAGA settlement in a long-form agreement.

15           3.        On April 16, 2025, Plaintiff, through counsel, appeared for hearing on Plaintiff’s  
16 Motion for Preliminary Approval of the Parties’ Class and PAGA action settlement. At the  
17 hearing, the Court inquired about Defendant’s involvement in drafting and approving the  
18 settlement terms and deadlines, as well as the language in the class notice. Since Defendant was  
19 not present to provide their input, Plaintiff was directed to file supplemental briefing on this  
20 matter.

21           4.        Since the hearing, the Parties agreed to and executed a Class Action and PAGA  
22 Settlement Agreement (“Settlement Agreement”), which contains a copy of the Notice of Class  
23 and PAGA Action Settlement (“Class Notice”) (attached as Exhibit A to the Settlement  
24 Agreement). A true and correct copy of the fully executed Settlement Agreement is attached  
25 hereto as **Exhibit 1**. The Class Notice was slightly modified from the version submitted as Exhibit  
26 B to the Declaration of David Yeremian in Support of Plaintiff’s Motion for Preliminary Approval  
27 of the Parties’ MOU to reflect the changes in the release language.

28    ///

1           5.       The Settlement Agreement, for the most part, remains consistent with the  
2 Settlement terms and deadlines set forth in Plaintiff's December 18, 2024 Motion for Preliminary  
3 Approval of the Parties' MOU, including all monetary terms (e.g., Gross Settlement Amount, Net  
4 Settlement Amount, Payment to the LWDA and Aggrieved Employees, Class Representative  
5 Service Payment, Class Counsel Fees, Litigation Costs, or Settlement Administration costs, etc.),  
6 the Settlement funding and payment distribution timelines (except as outlined below), the  
7 escalator clause, how the Individual Class Payments and Individual PAGA Payments will be  
8 calculated and the tax allocation for these payments, the defined terms (e.g. Class Members,  
9 Aggrieved Employees, Class, Class Period, Participating Class Member, Response Deadline,  
10 Individual Class Payments, Individual PAGA Payment, Request for Exclusion, Pay Period,  
11 Workweek, etc.), and the information regarding how Class Members exclude themselves from the  
12 Settlement, dispute the amount of Workweeks and Pay Periods, and object to the Settlement as well  
13 as the relevant deadlines. Any deviations in the Settlement Agreement from Settlement terms set  
14 forth in Plaintiff's December 18, 2024 Motion for Preliminary Approval of the Parties' MOU are  
15 outlined below.

16           a) The "Released Parties" is now defined as: Defendant and any past, present, and future  
17 direct or indirect parents, subsidiaries, affiliates, holding companies, affiliated  
18 companies, partnerships, limited liability companies, as well as each of its or their past,  
19 present, and future officers, directors, employees, partners, members, managers,  
20 customers, subcontractors, shareholders and agents, attorneys, and any individual or  
21 entity that could be jointly liable with Defendant. Exhibit 1, Settlement Agreement, ¶  
22 1.42)

23           b) The "Released Class Claims" (previously defined as Released Claims) is now defined  
24 as: "(i) failure to pay all regular wages, minimum wages and overtime wages due; (ii)  
25 failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide  
26 rest periods or compensation in lieu thereof; (iv) failure to provide complete, accurate  
27 wage statements; (v) violation for unlawfully collecting or receiving from an employee  
28

1 any part of their wages; (vi) failure to provide sick pay and supplemental COVID  
2 leave; (vii) failure to timely pay wages; (viii) failure to pay wages timely at time of  
3 termination or resignation; (ix) failure to reimburse of necessary expenditures; and (x)  
4 unfair business practices that could have been premised on the claims, causes of action,  
5 or legal theories of relief described above or any of the claims, causes of action or legal  
6 theories of relief pleaded in the Operative Complaint.” (Exhibit 1, Settlement  
7 Agreement, ¶ 5.2.) This release shall apply to claims arising during the Class Period.  
8 (*Id.*)

9 c) Additionally, the Settlement Agreement now clarifies that the Released Class Claims  
10 will apply to “[a]ll Participating Class Members, on behalf of themselves and their  
11 respective former and present representatives, agents, attorneys, heirs, administrators,  
12 successors, and assigns.” (Exhibit 1, Settlement Agreement, ¶ 5.2.)

13 d) The “Released PAGA Claims” is now defined “all claims for PAGA penalties that  
14 were alleged, or reasonably could have been alleged, based on the PAGA Period facts  
15 stated in the Operative Complaint, the PAGA Notice, and ascertained in the course of  
16 the Action, including but not limited to, Labor Code sections 201, 202, 203, 204, 221.  
17 226, 226.3, 226.7, 246, 248.1, 248.2, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.2,  
18 1197, 1199, 2698, 2699, 2699.3, and 2802.” (Exhibit 1, Settlement Agreement, ¶ 5.3.)

19 e) The Settlement Agreement further clarifies that the Released PAGA Claims applies to  
20 “[a]ll Aggrieved Employees, including Non-Participating Class Members who are  
21 Aggrieved Employees, are deemed to release, on behalf of themselves and their  
22 respective former and present representatives, agents, attorneys, heirs, administrators,  
23 successors, and assigns.” (Exhibit 1, Settlement Agreement, ¶ 5.3.)

24 f) The “Effective Date” now means “the date by which both of the following have  
25 occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the  
26 Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the  
27 following occurrences: (a) if no Participating Class Member objects to the Settlement,  
28

1 the day the Court enters Judgment; (b) if one or more Participating Class Members  
2 objects to the Settlement, the day after the deadline for filing a notice of appeal from  
3 the Judgment; or if a timely appeal from the Judgment is filed, the day after the  
4 appellate court affirms the Judgment and issues a remittitur” (Exhibit 1, Settlement  
5 Agreement, ¶ 1.19.)

6 g) The Settlement Agreement now modifies when the Administrator must re-mail checks  
7 to the USPS forwarding address provided or to an address ascertained through the  
8 Class Member Address Search from ten days to seven (7) days of receiving a returned  
9 check. (Exhibit 1, Settlement Agreement ¶ 4.4.2.)

10 h) “Class Counsel” is now modified to include Enoch Kim of D.Law, and is now defined  
11 as “Emil Davtyan, Enoch Kim, Alvin B. Lindsay, and Melissa Rodriguez of D.LAW,  
12 INC., and David Yeremian of DAVID YEREMIAN & ASSOCIATES, INC. (Exhibit  
13 1, Settlement Agreement, ¶ 1.8.)

14 6. Additionally, the Settlement Agreement now elaborates on the following points,  
15 which were previously not mentioned in Plaintiff’s December 18, 2024 Motion for Preliminary  
16 Approval of the Parties’ MOU:

17 a) Class Data. Not later than twenty (20) days after the Court grants Preliminary Approval  
18 of the Settlement, Defendant will deliver the Class Data to the Administrator, in the  
19 form of a Microsoft Excel spreadsheet

20 b) Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement  
21 Amount and also fund the amounts necessary to fully pay Defendant’s share of payroll  
22 taxes by transmitting the funds to the Administrator no later than 14 (fourteen) days  
23 after the Effective Date. (Exhibit 1, Settlement Agreement ¶ 4.3.)

24 c) Payments from the Gross Settlement Amount. Within 14 (fourteen) days after  
25 Defendant funds the GSA, the Administrator will mail checks for all Individual Class  
26 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the  
27 Administration Costs payment, the Class Counsel Fees Payment, the Class Counsel  
28

Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (Exhibit 1, Settlement Agreement ¶ 4.4.)

7. The proposed Settlement was reached as a result of arm's length negotiations and has been, at all times, adversarial and non-collusive in nature. The Parties maintain that the Settlement is fair, reasonable, and adequate.

8. On May 16, 2025, Plaintiff submitted the Settlement Agreement and Plaintiff's supplemental briefing to the LWDA. A true and correct copy of the confirmatory email from the LWDA is attached hereto as **Exhibit 2.**

9. Now having a fully executed Settlement Agreement, Plaintiff simultaneously files an Amended Proposed Order and Amended Motion for Preliminary Approval of the Parties' Class and PAGA Settlement Agreement. Plaintiff also concurrently files the Declaration of Michael Sutherland in Support of Plaintiff's Motion for Preliminary Approval of the Parties' Class and PAGA Settlement Agreement, and it addresses the Administrator's qualifications and experiences, as well as procedures in place to protect the security of class data and adequate insurance in the event of a data breach or defalcation of funds. Plaintiff maintains that the current bid from the Administrator is competitive and fair.

10. Should the Court find the Settlement Agreement fair and reasonable, Plaintiff respectfully requests that the Court grant Plaintiff's Motion for Preliminary Approval of the Parties' Settlement Agreement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 16th day of May 2025 in Glendale, California

Alvin B. Lindsay

# EXHIBIT 1

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Attorneys for Defendant L.A. Hardwood Flooring, Inc.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 FOR THE COUNTY OF LOS ANGELES**

RICARDO ANTONIO PEREZ FLORES, an  
 individual, on behalf of himself and others  
 similarly situated,

Plaintiff,

vs.

L.A. HARDWOOD FLOORING, INC., a  
 California corporation; and DOES 1 through  
 50, inclusive,

Defendants.

Case No. 22STCV26518

Assigned for All Purposes To:  
 Hon. David S. Cunningham III  
 Dept.: 11 – Spring Street Courthouse

**CLASS ACTION AND PAGA  
 SETTLEMENT AGREEMENT**

Original Complaint filed: August 16, 2022  
 First Amended Complaint: October 25, 2022  
 Trial Date: None set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and  
2 between plaintiff Ricardo Antonio Perez Flores (“Plaintiff”) and defendant L.A. Hardwood  
3 Flooring, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as  
4 “Parties,” or individually as “Party.”

5 1. **DEFINITIONS.**

6 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against  
7 Defendant captioned *Ricardo Flores v. L.A. Hardwood Flooring, Inc., et. al.*, filed on August 16,  
8 2022, and pending in Superior Court of the State of California, County of Los Angeles, Case No.  
9 22STCV26518.

10 1.2 “Administrator” means APEX Class Action, LLC the neutral entity the Parties have  
11 agreed to appoint to administer the Settlement.

12 1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross  
13 Settlement Amount to reimburse its reasonable fees and expenses in accordance with the  
14 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary  
15 Approval of the Settlement.

16 1.4 “Aggrieved Employee” means and includes all individuals who were or have been  
17 employed by Defendant in California as non-exempt employees at any time during the PAGA  
18 Period.

19 1.5 “Class” means all persons employed by Defendant in California and classified as non-  
20 exempt hourly employees who worked for Defendant during the Class Period.

21 1.6 “Class Counsel” means Emil Davtyan, Enoch Kim, Alvin B. Lindsay, and Melissa  
22 Rodriguez of D.LAW, INC. and David Yeremian of DAVID YEREMIAN & ASSOCIATES,  
23 INC.

24 1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class  
25 Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will  
26 request approval from the Court of up to \$43,333.33 (Forty-Three Thousand and Three Hundred  
27 and Thirty-Three Dollars and Thirty-Three Cents).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to \$10,000.00 (Ten Thousand Dollars and zero cents).

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and the number of Class Period Workweeks and PAGA Pay Periods.

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

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

1.12 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from August 16, 2018, through the date of preliminary approval of the Settlement.

1.14 “Class Representative” means the named Plaintiff, Ricardo Antonio Perez Flores, in the Operative Complaint in the Action seeking Court approval to serve as a Class Representative.

1.15 “Class Representative Service Payment” or “Enhancement Award” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Los Angeles.

1.17 “Defendant” means named Defendant L.A. HARDWOOD FLOORING, INC.

1.18 “Defense Counsel” means Netzah & Shem-Tov, Inc.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means the non-reversionary payment of \$130,000.00 (One Hundred Thirty Thousand Dollars with Zero Cents), which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and the Administrator’s Costs.

1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.27 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

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

1.31 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.32 “PAGA Period” means the period from August 16, 2021 through preliminary approval.

1.33 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.34 “PAGA Notice” means Plaintiff’s October 26, 2022 letter to LWDA and the providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.35 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$10,000.00), allocated 25% to the Aggrieved Employees (\$2,500.00) and 75% to LWDA (\$7,500.00) in settlement of PAGA claims.

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

1.37 “Plaintiff” means RICARDO ANTONIO PEREZ FLORES, the named plaintiff in the Action.

1.38 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.39 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

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

1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.2 below.

1.42 “Released Parties” means: Defendant and any past, present, and future direct or indirect parents, subsidiaries, affiliates, holding companies, affiliated companies, partnerships, limited liability companies, as well as each of its or their past, present, and future officers, directors, employees, partners, members, managers, customers, subcontractors, shareholders and agents, attorneys, and any individual or entity that could be jointly liable with Defendant.

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

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

1.45 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.46 “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

## 2. **RECITALS.**

2.1 On August 16, 2022, Plaintiff Ricardo Antonio Perez Flores commenced a Class Action by filing a Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime under Labor Code 510; (3) Meal Period Liability Under Labor Code 226.7; (4) Rest Break Liability Under Labor Code 226.7; (5) Violation of Labor Code 226; (6) Violation of Labor Code 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; (9) Violation of Labor Code § 2802; (10) Violation of Business & Professions Code 17200 *et seq.* On October 25, 2022, Plaintiff Ricardo Antonio Perez Flores filed a First Amended Complaint adding a cause of action for penalties under PAGA (“Operative

Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on August 16, 2022 (LWDA-CM-902149-22).

2.3 On February 16, 2023, the Parties participated in an all-day mediation presided over by Mediator William Kampf Esq. Unfortunately, the Parties did not settle the Action at that time. However, on February 27, 2024, the Parties participated in a second all-day mediation presided over by Mediator William Kampf Esq. and were able to agree to general settlement terms. The Parties memorialized their agreement in a Memorandum of Understanding on February 29, 2024, that led to this Agreement to settle the Action.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action, including speaking to current and former employees of Defendant regarding Defendant’s employment policies and practices. Prior to mediation, to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions, Plaintiffs also obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) (“*Dunk/Kullar*”).

2.5 The Court has not granted class certification because the Parties engaged in mediation before any class certification.

2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

### 3. **MONETARY TERMS.**

1        3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,  
2 Defendant will pay a non-reversionary Gross Settlement Amount (“GSA”) in the amount of  
3 \$130,000.00 (One Hundred and Thirty Thousand Dollars and Zero Cents) to fully settle, resolve,  
4 and extinguish all claims asserted in the Action, including without limitation all claims asserted  
5 in the PAGA Letter referenced in Plaintiff’s First Amended Complaint in the Action and to  
6 separately pay any and all employer payroll taxes owed on the wage portions of the Individual  
7 Class Payments. Defendant has no obligation to pay the GSA (or any payroll taxes) prior to the  
8 deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire  
9 GSA without asking or requiring Participating Class Members or Aggrieved Employees to submit  
10 any claim as a condition of payment. None of the GSA will revert to Defendant.

11        3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct  
12 the following payments from the GSA, in the amounts specified by the Court in the Final  
13 Approval:

14            3.2.1 To Plaintiff: A payment for the Class Representative Service Payment to the Class  
15 Representative, Ricardo Antonio Perez Flores, of not more than \$10,000.00 (Ten Thousand  
16 Dollars and Zero Cents) in addition to any Individual Class Payment and any Individual PAGA  
17 Payment the Class Representative is entitled to receive as a Participating Class Member.  
18 Defendant will not oppose Plaintiff’s request for a Class Representative Service Payment that  
19 does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class  
20 Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative  
21 Service Payments no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as  
22 otherwise ordered by the Court. If the Court approves a Class Representative Service Payment  
23 less than the amount requested, the Administrator will retain the remainder in the Net Settlement  
24 Amount. The Administrator will pay the Class Representative Service Payment using IRS Form  
25 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class  
26 Representative Service Payment.

27            3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third which  
28 is currently estimated to be \$43,333.33 (Forty-Three Thousand and Three Hundred and Thirty-

Three Dollars and Thirty-Three Cents) and a Class Counsel Litigation Expenses Payment of not more than \$10,000.00 (Ten Thousand Dollars and Zero Cents). Defendant will not oppose requests for these payments provided that such requests do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs payment not to exceed \$10,000.00 (Ten Thousand Dollars and Zero Cents) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs payment are less or the Court approves payment of less than \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 70% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The

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

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Ten Thousand Dollars (\$10,000) to be paid from the Gross Settlement Amount, with 75% (\$7,500) allocated to the LWDA PAGA Payment and 25% (\$2,500) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$2,500 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

#### **4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are **99** Class Members who collectively worked a total of **7273** Workweeks from August 16, 2018 through February 27, 2024, and **25** Aggrieved Employees who worked a total of **597** PAGA Pay Periods from August 16, 2021 through February 27, 2024.

4.2 Class Data. Not later than twenty (20) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a

1 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must  
2 maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement  
3 and for no other purpose, and restrict access to the Class Data to Administrator employees who  
4 need access to the Class Data to effect and perform under this Agreement. Defendant has a  
5 continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted  
6 class member identifying information and to provide corrected or updated Class Data as soon as  
7 reasonably feasible. Without any extension of the deadline by which Defendant must send the  
8 Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts,  
9 in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class  
10 Data.

11 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement  
12 Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by  
13 transmitting the funds to the Administrator no later than 14 (fourteen) days after the Effective  
14 Date.

15 4.4 Payments from the Gross Settlement Amount. Within 14 (fourteen) days after Defendant  
16 funds the GSA, the Administrator will mail checks for all Individual Class Payments, all  
17 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs payment, the  
18 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class  
19 Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class  
20 Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not  
21 precede disbursement of Individual Class Payments and Individual PAGA Payments.

22 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or  
23 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The  
24 face of each check shall prominently state the date (180 days after the date of mailing) when the  
25 check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the  
26 Void Date. The Administrator will send checks for Individual Settlement Payments to all  
27 Participating Class Members (including those for whom the Class Notice was returned  
28 undelivered). The Administrator will send checks for Individual PAGA Payments to all

1 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved  
2 Employees (including those for whom Class Notice was returned undelivered). The Administrator  
3 may send Participating Class Members a single check combining the Individual Class Payment  
4 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator  
5 must update the recipients' mailing addresses using the National Change of Address Database.

6 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class  
7 Members whose checks are returned undelivered without USPS forwarding address. Within seven  
8 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS  
9 forwarding address provided or to an address ascertained through the Class Member Address  
10 Search. The Administrator need not take further steps to deliver checks to Class Members whose  
11 re-mailed checks are returned as undelivered. The Administrator shall promptly send a  
12 replacement check to any Class Member whose original check was lost or misplaced, requested  
13 by the Class Member prior to the void date.

14 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA  
15 Payment check is uncashed and canceled after the void date, the Administrator shall transmit the  
16 funds represented by such checks to the California Controller's Unclaimed Property Fund in the  
17 name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of  
18 California Code of Civil Procedure Section 384, subd. (b).

19 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall  
20 not obligate Defendant to confer any additional benefits or make any additional payments to Class  
21 Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

22 5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the GSA and  
23 funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments,  
24 Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as  
25 follows:

26 5.1 **Plaintiff's Release.** Plaintiff and his or her respective former and present spouses,  
27 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release  
28 and discharge Released Parties from all claims, transactions, or occurrences, that occurred during

the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under paragraph 5.2, below ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2 Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, accurate wage statements; (v) violation for unlawfully collecting or receiving from an employee any part of their wages; (vi) failure to provide sick pay and supplemental COVID leave; (vii) failure to timely pay wages; (viii) failure to pay wages timely at time of

1 termination or resignation; (ix) failure to reimburse of necessary expenditures; and (x) unfair  
2 business practices that could have been premised on the claims, causes of action, or legal theories  
3 of relief described above or any of the claims, causes of action or legal theories of relief pleaded  
4 in the Operative Complaint (collectively, the “Released Class Claims”). This release shall apply  
5 to claims arising during the Class Period. Except as set forth in Section 5.3 of this Agreement,  
6 Participating Class Members do not release any other claims, including claims for vested benefits,  
7 wrongful termination, violation of the Fair Employment and Housing Act, unemployment  
8 insurance, disability, social security, workers’ compensation, or claims based on facts occurring  
9 outside the Class Period.

10 5.3 Released PAGA Claims: All Aggrieved Employees, including Non-Participating Class  
11 Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their  
12 respective former and present representatives, agents, attorneys, heirs, administrators, successors,  
13 and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or  
14 reasonably could have been alleged, based on the PAGA Period facts stated in the Operative  
15 Complaint, the PAGA Notice, and ascertained in the course of the Action, including but not  
16 limited to, Labor Code sections 201, 202, 203, 204, 221. 226, 226.3, 226.7, 246, 248.1, 248.2,  
17 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1199, 2698, 2699, 2699.3, and 2802  
18 (collectively, the “Released PAGA Claims”).

19 6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for  
20 preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current  
21 checklist for Preliminary Approvals.

22 6.1 Defendant’s Declaration in Support of Preliminary Approval. Within 10 (ten) days of  
23 the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed  
24 Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or  
25 potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and  
26 Defendant shall aver that they are not aware of any other pending matter or action asserting claims  
27 that will be extinguished or adversely affected by the Settlement.  
28

1       6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all  
2 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and  
3 memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the  
4 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor  
5 Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and  
6 Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from  
7 the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting  
8 to its willingness to serve; competency; operative procedures for protecting the security of Class  
9 Data; amounts of insurance coverage for any data breach, defalcation of funds or other  
10 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;  
11 and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense  
12 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve  
13 and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members,  
14 and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its  
15 competency to represent the Class Members; its timely transmission to the LWDA of all necessary  
16 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative  
17 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,  
18 subd. (l)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class  
19 Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver  
20 that they are not aware of any other pending matter or action asserting claims that will be  
21 extinguished or adversely affected by the Settlement.

22       6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible  
23 for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a prompt  
24 hearing date for the Motion for Preliminary Approval; and filing the Motion for Preliminary  
25 Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the  
26 Court; and appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class  
27 Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.  
28

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected APEX Class Action, LLC ("Apex") to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members

identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

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

7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

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

7.5 Requests for Exclusion (Opt-Outs).

1           7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement  
2 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not  
3 later than 45 (forty-five) days after the Administrator mails the Class Notice (plus an additional  
4 14 (fourteen) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion  
5 is a letter from a Class Member or his/her representative that reasonably communicates the Class  
6 Member's election to be excluded from the Settlement and includes the Class Member's name,  
7 address and email address or telephone number. To be valid, a Request for Exclusion must be  
8 timely faxed, emailed, or postmarked by the Response Deadline.

9           7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails  
10 to contain all the information specified in the Class Notice. The Administrator shall accept any  
11 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the  
12 person as a Class Member and the Class Member's desire to be excluded. The Administrator's  
13 determination shall be final and not appealable or otherwise susceptible to challenge. If the  
14 Administrator has reason to question the authenticity of a Request for Exclusion, the  
15 Administrator may demand additional proof of the Class Member's identity. The Administrator's  
16 determination of authenticity shall be final and not appealable or otherwise susceptible to  
17 challenge.

18           7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion  
19 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and  
20 bound by all terms and conditions of the Settlement, including the Participating Class Members'  
21 Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating  
22 Class Member actually receives the Class Notice or objects to the Settlement.

23           7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a  
24 Non-Participating Class Member and shall not receive an Individual Class Payment or have the  
25 right to object to the class action components of the Settlement. Because future PAGA claims are  
26 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who  
27 are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this  
28 Agreement and are eligible for an Individual PAGA Payment.

1       7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)  
2 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for  
3 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks  
4 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member  
5 may challenge the allocation by communicating with the Administrator via fax, email or mail.  
6 The Administrator must encourage the challenging Class Member to submit supporting  
7 documentation. In the absence of any contrary documentation, the Administrator is entitled to  
8 presume that the Workweeks contained in the Class Notice are correct so long as they are  
9 consistent with the Class Data. The Administrator's determination of each Class Member's  
10 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise  
11 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the  
12 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the  
13 Administrator's determination of the challenges.

14       7.7 Objections to Settlement.

15       7.7.1 Only Participating Class Members may object to the class action components of the  
16 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or  
17 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses  
18 Payment and/or Class Representative Service Payment.

19       7.7.2 Participating Class Members may send written objections to the Administrator, by  
20 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire  
21 an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A  
22 Participating Class Member who elects to send a written objection to the Administrator must do  
23 so not later than 45 (forty-five) days after the Administrator's mailing of the Class Notice (plus  
24 an additional 14 (fourteen) days for Class Members whose Class Notice was re-mailed).

25       7.7.3 Non-Participating Class Members have no right to object to any of the class action  
26 components of the Settlement.

27       7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be  
28 performed or observed by the Administrator contained in this Agreement or otherwise.

1           7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish,  
2 maintain and use an internet website to post information of interest to Class Members including  
3 the date, time and location for the Final Approval Hearing and copies of the Settlement  
4 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;  
5 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation  
6 Expenses Payment and Class Representative Service Payment; the Final Approval Order; and the  
7 Judgment. The Administrator will also maintain and monitor an email address and a toll-free  
8 telephone number to receive Class Member calls, faxes and emails.

9           7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will  
10 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later  
11 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the  
12 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names  
13 and other identifying information of Class Members who have timely submitted valid Requests  
14 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class  
15 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for  
16 Exclusion from Settlement submitted (whether valid or invalid).

17           7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports  
18 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class  
19 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether  
20 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods  
21 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA  
22 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment  
23 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and  
24 objections received.

25           7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to  
26 address and make final decisions consistent with the terms of this Agreement on all Class Member  
27 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision  
28 shall be final and not appealable or otherwise susceptible to challenge.

1           7.8.5 Administrator's Declaration. Not later than 14 (fourteen) days before the date by  
2 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the  
3 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable  
4 for filing in Court attesting to its due diligence and compliance with all of its obligations under  
5 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices  
6 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the  
7 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the  
8 number of written objections and attach the Exclusion List. The Administrator will supplement  
9 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible  
10 for filing the Administrator's declaration(s) in Court.

11           7.8.6 Final Report by Settlement Administrator. Within 10 (ten) days after the  
12 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide  
13 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee  
14 identification number only of all payments made under this Agreement. At least 15 (fifteen) days  
15 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel  
16 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement  
17 of all payments required under this Agreement. Class Counsel is responsible for filing the  
18 Administrator's declaration in Court.

19       8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**. Based on its records,  
20 Defendant represents there are 99 Class Members who collectively worked a total of 7273  
21 Workweeks from August 16, 2018 through February 27, 2024, and 25 Aggrieved Employees who  
22 worked a total of **597** PAGA Pay Periods from August 16, 2021 through February 27, 2024. If it  
23 is determined that the number of Class Members exceeds 110% as of the filing of the initial  
24 Motion for Preliminary Approval of the Settlement (i.e. more than a 10% increase), the Gross  
25 Settlement Amount be increased by the same number of percentage points above 10% by which  
26 the actual number of Class Members exceeds 110%. If this provision is triggered so as to increase  
27 the GSA, the Parties agree that the portion of the GSA allocated to attorneys' fees will increase  
28

proportionally such that the total amount of attorneys' fees remains one-third of the GSA after the upward adjustment required by this provision is implemented.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendant represents, as of the date of this Settlement Agreement, there are 99 Class Members. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of the total of all Class Members (i.e. more than five (5) opt-outs), Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs payment incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 20 (twenty) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than 16 (sixteen) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of

1 release to be granted by Class Members), the Parties will expeditiously work together in good  
2 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final  
3 Approval. The Court's decision to award less than the amounts requested for the Class  
4 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation  
5 Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material  
6 modification to the Agreement within the meaning of this paragraph.

7 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the  
8 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of  
9 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,  
10 and (iii) addressing such post-Judgment matters as are permitted by law.

11 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and  
12 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class  
13 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective  
14 counsel, and all Participating Class Members who did not object to the Settlement as provided in  
15 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-  
16 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new  
17 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the  
18 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'  
19 obligations to perform under this Agreement will be suspended until such time as the appeal is  
20 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount  
21 of the Net Settlement Amount.

22 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the  
23 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material  
24 modification of this Agreement (including, but not limited to, the scope of release to be granted  
25 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless  
26 expeditiously work together in good faith to address the appellate court's concerns and to obtain  
27 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration  
28 Costs payment reasonably incurred after remittitur. An appellate decision to vacate, reverse, or

1 modify the Court's award of the Class Representative Service Payment or any payments to Class  
2 Counsel shall not constitute a material modification of the Judgment within the meaning of this  
3 paragraph, as long as the Gross Settlement Amount remains unchanged.

4 11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil  
5 Procedure section 384, the Parties will work together in good faith to jointly submit a proposed  
6 amended judgment.

7 12. **ADDITIONAL PROVISIONS.**

8 12.1 No Admission of Liability, Class Certification or Representative Manageability for  
9 Other Purposes. This Agreement represents a compromise and settlement of highly disputed  
10 claims. Nothing in this Agreement is intended or should be construed as an admission by  
11 Defendant that any of the allegations in the Operative Complaint have merit or that Defendant  
12 has any liability for any claims asserted; nor should it be intended or construed as an admission  
13 by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class  
14 certification and representative treatment is for purposes of this Settlement only. If, for any  
15 reason, the Court does not grant Preliminary Approval, Final Approval, or enter Judgment,  
16 Defendant reserves the right to contest certification of any class for any reason, Defendant  
17 reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move  
18 for class certification on any grounds available and to contest Defendant's defenses. The  
19 Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on,  
20 and will not be admissible in connection with, any litigation (except for proceedings to enforce  
21 or effectuate the Settlement and this Agreement).

22 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and  
23 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement  
24 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit  
25 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly  
26 or indirectly, specifically or generally, to any person, corporation, association, government  
27 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom  
28 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the

1 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order  
2 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government  
3 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,  
4 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense  
5 Counsel separately agree not to, directly or indirectly, initiate any conversation or other  
6 communication, before the filing of the Motion for Preliminary Approval, with any third party  
7 regarding this Agreement or the matters giving rise to this Agreement except to respond only that  
8 “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s  
9 communications with Class Members in accordance with Class Counsel’s ethical obligations  
10 owed to Class Members.

11 12.3 Neutral References. Defendant and the Released Parties agree that it/she/he/they will  
12 respond to all inquiries regarding Plaintiff’s employment by confirming only dates of  
13 employment and position held unless Plaintiff authorizes Defendant in writing to provide  
14 additional information.

15 12.4 No Solicitation. The Parties separately agree that they and their respective counsel and  
16 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal  
17 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability  
18 to communicate with Class Members in accordance with Class Counsel’s ethical obligations  
19 owed to Class Members.

20 12.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement  
21 together with its attached exhibits shall constitute the entire agreement between the Parties  
22 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or  
23 inducements made to or by any Party.

24 12.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and  
25 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate  
26 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate  
27 its terms, and to execute any other documents reasonably required to effectuate the terms of this  
28 Agreement including any amendments to this Agreement.

1       12.7 Cooperation. The Parties and their counsel will cooperate with each other and use their  
2 best efforts, in good faith, to implement the Settlement by, among other things, modifying the  
3 Settlement Agreement, submitting supplemental evidence and supplementing points and  
4 authorities as requested by the Court. In the event the Parties are unable to agree upon the form  
5 or content of any document necessary to implement the Settlement, or on any modification of the  
6 Agreement that may become necessary to implement the Settlement, the Parties will seek the  
7 assistance of a mediator and/or the Court for resolution.

8       12.8 No Prior Assignments. The Parties separately represent and warrant that they have not  
9 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or  
10 encumber to any person or entity and portion of any liability, claim, demand, action, cause of  
11 action, or right released and discharged by the Party in this Settlement.

12       12.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are  
13 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied  
14 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR  
15 Part 10, as amended) or otherwise.

16       12.10 Modification of Agreement. This Agreement, and all parts of it, may be amended,  
17 modified, changed, or waived only by an express written instrument signed by all Parties or their  
18 representatives, and approved by the Court.

19       12.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure  
20 to the benefit of, the successors of each of the Parties.

21       12.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be  
22 governed by and interpreted according to the internal laws of the state of California, without  
23 regard to conflict of law principles.

24       12.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation  
25 of this Agreement. This Agreement will not be construed against any Party on the basis that the  
26 Party was the drafter or participated in the drafting.

To Defendant:

Raviv Netzah  
Shalem Shem-Tov  
NETZAH & SHEM-TOV, INC.  
15260 Ventura Blvd., Suite 1850  
Sherman Oaks, CA 91403  
Telephone: (818) 995-4200  
Facsimile: (818) 783-6775  
Email: Rnetzah@netshemlaw.com

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

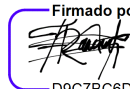
12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

By the Parties:

DATED: 5/15/2025

Firmado por:



D9C7BC6DBAF74C1

Plaintiff RICARDO ANTONIO PEREZ FLORES

DATED: \_\_\_\_\_

Defendant L.A. HARDWOOD FLOORING, INC.

By: \_\_\_\_\_

Position: \_\_\_\_\_

Approved by counsel:

DATED: May 14, 2025

DAVID YEREMIAN & ASSOCIATES, INC.  
D.LAW, INC.

BY: 

David Yeremian  
Alvin B. Lindsay  
Counsel for Plaintiff

DATED: May 14, 2025

NETZAH & SHEM-TOV, INC.

BY: \_\_\_\_\_

Raviv Netzah  
Attorneys for Defendant L.A. Hardwood  
Flooring, Inc.

To Defendant:

Raviv Netzah  
Shalem Shem-Tov  
NETZAH & SHEM-TOV, INC.  
15260 Ventura Blvd., Suite 1850  
Sherman Oaks, CA 91403  
Telephone: (818) 995-4200  
Facsimile: (818) 783-6775  
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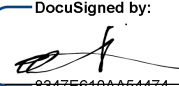
IT IS SO AGREED.

By the Parties:

DATED: \_\_\_\_\_

Plaintiff RICARDO ANTONIO PEREZ FLORES

DATED: 5/15/2025 | 9:12 AM PDT

DocuSigned by:  
  
8347E610AA54474...

Defendant L.A. HARDWOOD FLOORING, INC.

By: Doron Gal  
Position: CEO

Approved by counsel:

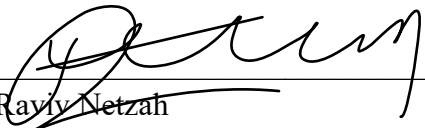
DATED: May 15, 2025

DAVID YEREMIAN & ASSOCIATES, INC.  
D.LAW, INC.

BY: \_\_\_\_\_  
David Yeremian  
Alvin B. Lindsay  
Counsel for Plaintiff

DATED: May 15, 2025

NETZAH & SHEM-TOV, INC.

BY:  \_\_\_\_\_  
Rayiv Netzah  
Attorneys for Defendant L.A. Hardwood  
Flooring, Inc.

# EXHIBIT A

*A court has authorized this notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
Your legal rights are affected whether you act or do not act.*

**NOTICE OF CLASS AND PAGA ACTION SETTLEMENT**

To: All non-exempt employees who are or previously were employed by L.A. Hardwood Flooring, Inc. (“Defendant”) within the state of California during the Class Period, which is August 16, 2018, through the date of preliminary approval (the “Class”).

**YOU MAY BE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS AND PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.**

| <b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DO NOTHING</b>                                       | To receive a settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, after the Court grants final approval to the settlement. <i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>                                                                                                                                                                                                                                                                                         |
| <b>CHANGE CONTACT AND ADDRESS INFORMATION</b>           | Update your address with the Administrator to ensure your check is sent to the correct address.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT</b>       | <p>If you do not want to participate in the class settlement, you may exclude yourself (opt out) of the class portion of the settlement. If you exclude yourself from the class settlement, you will not receive any payment from the Settlement Pool (defined below). This is the only option that allows you to pursue your own claims (in your own lawsuit) against L.A. Hardwood Flooring, Inc. about the legal claims in this case.</p> <p>However, even if you exclude yourself from the class settlement, you will still receive a portion of the PAGA settlement and be bound by it.</p> |
| <b>OBJECT</b>                                           | Write to the Court if you think the settlement is not fair or you can appear at a hearing to explain to the Court why you think the settlement is not fair.                                                                                                                                                                                                                                                                                                                                                                                                                                      |

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **L.A. HARDWOOD FLOORING, INC. WILL NOT RETALIATE IN ANY MANNER AGAINST ANYONE FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

## BACKGROUND ON THE LAWSUIT

### 1. Why did I get this notice?

You received this notice because L.A. Hardwood Flooring, Inc.'s records identify you as someone who worked for L.A. Hardwood Flooring, Inc. in California as a non-exempt hourly employee at any time from August 16, 2018, through the date of preliminary approval, making you a "Class Member" during the "Class Period." The settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Class Member, you are also a "PAGA Member" during the "PAGA Period," which is August 16, 2021, through the date of preliminary approval.

The purpose of this notice is to explain the lawsuit, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Los Angeles, and the case is known as *Ricardo Flores v. L.A. Hardwood, Inc.* - Case No. 22STCV26518 ("Action" or "Lawsuit"). There was a hearing on June 10, 2025, in Los Angeles County Superior Court. The Honorable David S. Cunningham III preliminarily approved the Settlement and directed that you receive this notice. The Court will hold a Final Approval hearing concerning the proposed settlement on [REDACTED], 2025 at [REDACTED], in Department 11 of the Spring Street Courthouse of the Los Angeles County Superior Court located at 312 N Spring St, Los Angeles, CA 90012. The Final Approval Hearing may be continued to another date without further notice.

### 2. What is this Class and PAGA Lawsuit about?

Plaintiff Ricardo Flores initiated this wage and hour class and representative action against L.A. Hardwood Flooring, Inc. on August 16, 2022. The First Amended Complaint was filed on October 25, 2022, alleges claims against L.A. Hardwood Flooring, Inc. for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime; (3) Meal Period Violations; (4) Rest Period Violations; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; (9) Violation of Labor Code § 2802; (10) Violation of Business & Professions Code § 17200 *et seq.*; and (11) Penalties under PAGA Labor Code § 2698. Plaintiff's class and representative claims are on behalf of all current and former non-exempt employees who worked for Defendant in California during the Class Period.

L.A. Hardwood Flooring, Inc. denies all allegations in the Lawsuit and contends that it has fully complied with the California Labor Code. The settlement is not an admission of any wrongdoing by L.A. Hardwood Flooring, Inc. or an indication that any law was violated or that this case was suitable for class or representative treatment.

On February 27, 2024, through arms-length negotiations with an experienced wage and hour mediator, William Kampf, the Parties reached a class and PAGA settlement subject to Court approval.

### 3. Why is there a settlement?

The Court has not decided in favor of Plaintiff Ricardo Flores, or in favor of L.A. Hardwood Flooring, Inc., or made any decision as to whether this case could proceed on a class or representative basis. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit.

**4. Who are the Parties in this Lawsuit?**

Plaintiff Ricardo Flores was employed by L.A. Hardwood Flooring, Inc. as an hourly employee in California. Defendant is L.A. Hardwood Flooring, Inc. and released parties as addressed in the settlement agreement.

**5. Who are the Attorneys for the Parties?**

Counsel for Plaintiff and the Class

Emil Davtyan, Esq.  
Enoch Kim, Esq.  
Alvin Lindsay, Esq.  
Melissa Rodriguez, Esq.  
D.LAW, INC.  
450 North Brand, Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Fax: (818) 962-6469

David Yeremian, Esq.  
DAVID YEREMIAN & ASSOCIATES, INC.  
450 North Brand, Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Fax: (818) 962-6469

Counsel for L.A. Hardwood Flooring, Inc.

NETZAH & SHEM-TOV, INC.  
Raviv Netzah (SBN 223227)  
rnetzah@netshemlaw.com  
15260 Ventura Blvd., Suite 1850  
Sherman Oaks, California 91403  
Telephone: (818) 995-4200  
Facsimile: (818) 783-6775

**THE TERMS OF THE SETTLEMENT**

**6. What is the Gross Settlement Amount?**

The proposed Settlement provides for a maximum payment of \$130,000.00 (referred to as the “Gross Settlement Amount”). From the Gross Settlement Amount, Class Counsel will apply to the Court for attorneys’ fees of \$43,333.33 (“Class Counsel Fees Payment”) and \$10,000.00 in litigation costs incurred (“Class Counsel Litigation Expenses Payment”); a “Class Representative Service Payment” of \$10,000.00 to Plaintiff Ricardo Flores for his work and efforts prosecuting this case; an “LWDA PAGA Payment” of \$7,500.00 to the California Labor Workforce Development Agency (“LWDA”) out of \$10,000.00 allocated to PAGA; and settlement administration expense payment (“Administration Cost”) to Apex Class Action (“Apex”), estimated at \$10,000.00. The exact amount of the attorneys’ fees, litigation costs, class representative service payment, and settlement administration expenses will be determined by the Court at the Final Approval hearing. The remaining portion of the Gross Settlement Amount, the “Net Settlement Amount” is currently estimated to be approximately \$46,666.66. The Net Settlement Amount will be apportioned and paid out as Individual Class Payments to the Participating Class Members, who are the Class Members who do not request to be excluded (“opt-out”) from the settlement.

**7. How will the Individual Class Payments to Participating Class Members be calculated?**

Participating Class Members will receive Individual Class Payments as a proportional amount of the Net Settlement Amount. **A claim form is not required.** Class Members who opt out of the class settlement will not receive an Individual Class Payment and will not be bound by the class portion of this Settlement.

Each Settlement Class Member's Individual Class Payment will be a pro-rata share of the Net Settlement Amount. Defendant and the Settlement Administrator will calculate the total Compensable Workweeks for all Participating Class Members. The respective Compensable Workweeks for each Settlement Class Member will be divided by the total Compensable Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Settlement Class Member.

All Individual Class Payments to Participating Class Members shall be allocated as follows for tax purposes: 30% of each Individual Class Payment reflects a compromise of a claim for alleged unpaid wages; 70% of each Individual Class Payment reflects a compromise of a claim for alleged interest and penalties. The portion of the Individual Class Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings and will be reported on an IRS Form W-2. Participating Class Members will receive an IRS Form 1099 for the portion of the Settlement Payment attributable to alleged interest and penalties if required by law. Participating Class Members will be responsible for correctly characterizing the Individual Class Payment for tax purposes and paying taxes due, if any.

Your total estimated Eligible Workweeks is [REDACTED]. Based on that, your anticipated approximate Individual Class Payment is [REDACTED].

#### **8. How will the PAGA Payment be allocated to the LWDA and PAGA Members?**

The Parties will ask the Court to approve the \$10,000.00 PAGA Payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Payment, or \$7,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Payment, or \$2,500.00, will be distributed to the PAGA Members as Individual PAGA Payments.

No claim form is required to receive an Individual PAGA Payment. Because PAGA Members cannot opt out of the PAGA settlement, if you are a PAGA Member and you opt out of the class settlement, you will still receive an Individual PAGA Payment and be bound by the PAGA settlement.

Each PAGA Member's Individual PAGA Payment will be a pro-rata share of the 25% of the PAGA Payment to be distributed to PAGA Members. It will be based on the number of pay periods that each PAGA Member worked for L.A. Hardwood Flooring, Inc. during the PAGA Period (August 16, 2021, through the date of preliminary approval) as a proportion of all Eligible Pay Periods for all PAGA Members. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099, if required by law.

Your total estimated Eligible Pay Periods is [REDACTED]. Based on that, your anticipated Individual PAGA Payment is [REDACTED].

### **HOW TO GET A PAYMENT**

#### **9. How can I get a settlement payment?**

If you do nothing, you will automatically receive your Individual Class Payment and Individual PAGA Payment (if any) approximately 30 days after the Court's approval of the Settlement becomes final. You must notify the Settlement Administrator of any change in your name, mailing address, and/or telephone number if the information shown on this is not correct.

**It is your responsibility to keep the Settlement Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you.** You can contact the Settlement Administrator by U.S. Mail, email, or phone at [REDACTED] if you need to update contact information.

**10. What do I do if I believe my Eligible Workweeks or Eligible Pay Periods are incorrect?**

If you believe the Eligible Workweeks and Eligible Pay Periods above are not correct, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before [REDACTED], 2025. *[45 days within mailing of Notice]* You should include any documents or other information which support what you believe supports that you worked a different number of Eligible Workweeks or Pay Periods. The Settlement Administrator will resolve any dispute regarding these issues based on L.A. Hardwood Flooring, Inc.'s records and any information you provide.

**11. When can I expect to receive a settlement check?**

Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and PAGA Members approximately 30 days after the Court's approval of the Settlement becomes final, which will generally occur after the Court grants final approval and enters judgment and the time for filing an appeal has passed.

**Settlement checks should be cashed promptly upon receipt.** Proceeds of checks that remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Settlement Class Member and/or PAGA Member who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately.

**WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT**

**12. What am I giving up getting an Individual Class Payment?**

If the Court approves this Settlement and unless you exclude yourself, you will become a Settlement Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against L.A. Hardwood Flooring, Inc. concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the claims described below:

**Released Class Claims:** Effective on the date when Defendant fully funds the Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, accurate wage statements; (v) violation for unlawfully collecting or receiving from an employee any part of their wages; (vi) failure to provide sick pay and supplemental COVID leave; (vii) failure to timely pay wages; (viii) failure to pay wages timely at time of termination or resignation; (ix) failure to reimburse of necessary expenditures; and (x) unfair business practices that could have been premised on the claims, causes of action, or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the Operative Complaint (collectively, the "Released Class Claims"). Released Parties" means: Defendant and any past, present, and future direct or indirect parents, subsidiaries, affiliates, holding companies, affiliated companies, partnerships, limited liability companies, as well as each of its or their past, present, and future officers, directors, employees, partners, members, managers, customers, subcontractors, shareholders and agents, attorneys, and any individual or entity that could be jointly liable with Defendant.

**13. What PAGA Claims are released by this Settlement?**

If the Court approves this Settlement, and effective on the date when Defendant fully funds the Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties (defined above) from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, the PAGA Notice, and ascertained in the course of the Action, including but not limited to, Labor Code sections 201, 202, 203, 204, 221, 226, 226.3, 226.7, 246, 248.1, 248.2, 510, 512, 558, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1199, 2698, 2699, 2699.3, and 2802 (collectively, the “Released PAGA Claims”).

Defendant will be entitled to assert this Settlement of the PAGA claims in this Action as a defense to future claims against it for penalties by the LWDA or under the PAGA on behalf of the LWDA. The Released Parties will also be entitled to assert this release of PAGA Claims to assert claim or issue preclusion or other effects if any other PAGA Aggrieved Employee besides Plaintiff brings a subsequent claim on behalf of the LWDA concerning the same primary rights that were at issue in the present earlier settled PAGA action on behalf of the State of California and the LWDA.

**EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT**

**14. How do I opt out of the class settlement?**

If you wish to pursue your own separate lawsuit against L.A. Hardwood Flooring, Inc. for the claims asserted in the Lawsuit, or if you otherwise wish not to participate in the class settlement for whatever reason, you should exclude yourself from this case (that is, opt out of the class portion Settlement). However, you cannot opt out of the PAGA portion of the settlement. Class Members who opt out of this Settlement will still be bound by the PAGA portion of the Settlement and will receive an Individual PAGA Payment.

To opt out of the class portion of the Settlement and the release of Released Class Claims, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. The letter should include your reasons for excluding yourself and sufficient identifying information, and must state in substance:

“I want to opt out of the class action settlement in the lawsuit entitled *Ricardo Flores v. L.A. Hardwood Flooring, Inc.*, Los Angeles County Superior Court Case No. 22STCV26518, filed in the Superior Court of California, County of Los Angeles.”

The opt-out request letter must include the case name, case number, your full name, current address, and last four digits of your social security number, must be signed by you, and must be postmarked and mailed to the Settlement Administrator at the following address (or in the enclosed envelope) on or before [REDACTED], 2025. [45 days within mailing of Notice ] Opt-out requests postmarked after the deadline will be invalid.

*Ricardo Flores v. L.A. Hardwood, Inc.*  
Settlement Administrator  
c/o Apex Class Action

P. O. Box \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

**15. If I don't exclude myself from the class settlement, can I sue L.A. Hardwood Flooring, Inc. for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue L.A. Hardwood Flooring, Inc. for the claims being released by this Settlement, the Released Class Claims. If you have a claim or lawsuit already filed against L.A. Hardwood Flooring, Inc. or any of the Released Parties you should speak to your lawyer in that case immediately. You may need to exclude yourself from this Settlement to continue your own lawsuit. You cannot exclude yourself from the PAGA portion of the Settlement.

**OBJECTING TO THE SETTLEMENT**

**16. How do I tell the Court that I don't like the Settlement?**

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before \_\_\_\_\_, 2025, at the following address:

*Ricardo Flores v. L.A. Hardwood, Inc.*  
Settlement Administrator  
c/o Apex Class Action,  
P. O. Box \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the final approval hearing, the Settlement Agreement will be approved and you will receive your settlement share. If you do not submit a written objection, you may still appear at the final approval hearing to voice your objection or to otherwise observe the proceedings.

**THE COURT'S FINAL APPROVAL HEARING**

**17. When and where will the Court decide whether to grant final approval of the settlement?**

The Court will hold a Final Approval hearing in Department 11 of the Spring Street Courthouse of the Los Angeles County Superior Court located at 312 N Spring St, Los Angeles, CA 90012 \_\_\_\_\_ 2025, at \_\_\_\_\_ .m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the Class Counsel's request for attorneys' fees and costs, the Class Representative's service payment, and the Settlement Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Class Members. You can also check the Los Angeles County Superior Court website for changes to the hearing schedule. Any Class Member who files a notice of intent to appear at the Final Fairness hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Fairness hearing.

**18. Do I have to come to the hearing?**

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it but you may. You may also hire and pay your own lawyer to attend if you so desire.

**GETTING MORE INFORMATION**

**19. Whom may I contact if I have questions about the settlement?**

You may contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also contact the court-appointed Settlement Administrator, APEX, by calling toll-free 1-800 \_\_\_\_\_, or you can write to *Ricardo Flores v. L.A. Hardwood, Inc.*, Class Action Settlement Administrator at [address].

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR L.A. HARDWOOD FLOORING, INC.'S MANAGERS, SUPERVISORS, OR ATTORNEYS FOR MORE INFORMATION.**

12.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

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

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

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

To Plaintiff:

D.LAW, INC.  
Emil Davtyan  
[Emil@d.law](mailto:Emil@d.law)  
Enoch Kim  
[e.kim@d.law](mailto:e.kim@d.law)  
Alvin B. Lindsay  
[a.lindsay@d.law](mailto:a.lindsay@d.law)  
Melissa Rodriguez  
[m.rodriguez@d.law](mailto:m.rodriguez@d.law)  
450 N. Brand Blvd., Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Fax: (818) 962-6469

DAVID YEREMIAN & ASSOCIATES, INC.  
David Yeremian  
[david@yeremianlaw.com](mailto:david@yeremianlaw.com)  
450 N. Brand Blvd., Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465  
Fax: (818) 962-6469

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I am employed in the aforesaid county, State of California; I am over the age of 18 years and not a party to the within action; my business address is 450 N Brand Blvd., Ste 840, Glendale CA 91203.

Raviv Netzhah  
[rnetzhah@netshemlaw.com](mailto:rnetzhah@netshemlaw.com)  
**NETZAH & SHEM-TOV, INC.**  
 15260 Ventura Blvd., Suite 1850  
 Sherman Oaks, California 91403

I, **(BY MAIL)** I placed such envelope with postage thereon fully paid in the United States mail at Glendale, California. I am "readily familiar" with this firm's practice of collecting and processing correspondence for mailing. It is deposited with U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than 1 day after date of deposit for mailing in affidavit.

**[X] (STATE)** I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Natalia Bermudes  
Natalia Bermudes