

CLASS ACTION AND PAGA SETTLEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiffs Kimberly Pelletier (“Plaintiff Pelletier”) and Jason Johnson (“Plaintiff Johnson”) on the one hand, and defendant ABC Legal Services, LLC (“ABC”) on the other. This Agreement refers to Plaintiff Pelletier and Plaintiff Johnson collectively as “Plaintiffs.” This Agreement refers to Plaintiffs and ABC collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the action captioned Kimberly Pelletier v. ABC Legal Services, LLC which is pending in the Superior Court for the County of San Diego, Case No. 37-2022-00047743.
- 1.2 “Administrator” means CPT Group, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means any and all individuals and/or entities who served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC (or its predecessor(s)) as an independent contractor during the PAGA Period.
- 1.5 “Class” means any and all individuals and/or entities who served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC (or its predecessor(s)) as an independent contractor during the Class Period. The Class does not include any individual/entity who, as of the date of this Agreement, has claims for individual relief for misclassification as an independent contractor and California Labor Code violations, under the PAGA or otherwise, pending

in arbitration against ABC.

- 1.6 “Class Counsel” means collectively Shaun Setareh and William M. Pao of Setareh Law Group and Craig M. Nicholas, Shaun Markley, and Jordan Belcastro of Nicholas & Tomasevic, LLP.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in ABC’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workdays and PAGA Pay Periods.
- 1.9 “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).
- 1.10 “Class Member Address Search” means the Administrator’s investigation and search for Class Members’ current mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “Class Notice” means the Court Approved Notice of Class Action and PAGA Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from April 1, 2019, through the date the Court enters an order granting Preliminary Approval of this Agreement.
- 1.13 “Class Representatives” means Plaintiffs Johnson and Pelletier.

- 1.14 “Class Representative Service Payments” means the payments to the Class Representatives for initiating the Action, providing services in support of the Action, and as consideration for their general release of all known and unknown claims contained in this Settlement Agreement.
- 1.15 “Court” means the Superior Court of California, County of San Diego.
- 1.16 “ABC” means named Defendant ABC Legal Services, LLC.
- 1.17 “Defense Counsel” means Dente Law, P.C. and Meservy Law, P.C.
- 1.18 “Effective Date” means the date by when 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.
- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22 “Gross Settlement Amount” means One Million Four Hundred and Twenty-Five Thousand Dollars (\$1,425,000.00) which is the total amount ABC agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses Payment, Class Representative Service Payments and

the Administrator's Expenses.

- 1.23 "Individual Class Payment" means each Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workdays worked during the Class Period.
- 1.24 "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.
- 1.25 "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.26 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27 "LWDA PAGA Payment" means the 75% of the allocation for PAGA Penalties to be paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28 "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 Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30 "Operative Complaint" means the amended complaint adding Plaintiff Johnson as a plaintiff and adding class claims and the additional PAGA claims set forth in Plaintiffs' December 6, 2023, amended PAGA exhaustion letter to be filed in the Action. A true and correct copy of the

Operative Complaint to be filed in the Action is attached as Exhibit B and is incorporated by reference into this Agreement.

- 1.31 “PAGA Pay Period” means each pay period during the PAGA Period in which an Aggrieved Employee provided process serving work to ABC for at least one day.
- 1.32 “PAGA Period” means the period from January 24, 2021, through the date the Court enters an order granting Preliminary Approval of this Agreement.
- 1.33 “PAGA” means the California Labor Code Private Attorneys General Act (Labor Code §§ 2698., *et seq.*).
- 1.34 “PAGA Notice” means Plaintiffs’ joint amended PAGA exhaustion letter dated December 6, 2023, to ABC and the LWDA, as well as the Plaintiff Johnson’s September 1, 2022 and Plaintiff Pelletier’s September 21, 2022 exhaustion letters, providing notice under Labor Code section 2699.3, subd.(a).
- 1.35 “PAGA Penalties” means \$200,000.00 which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$50,000.00) and the 75% to LWDA (\$150,000.00) in settlement of the 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 “Plaintiffs” means Plaintiffs Jason Johnson and Kimberley Pelletier, the named plaintiffs in the Action.
- 1.38 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.40 “Released Class Claims” means the claims being released as described in

Paragraph 6.2 below.

- 1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 6.3 below.
- 1.42 “Released Parties” means Defendant ABC Legal Services, LLC and all of its present, future and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, owners, members, shareholders, officers, directors, employees, partners, agents, predecessors, and any other successors, assigns, or legal representatives, insurers, co-insurers, reinsurers, attorneys, accountants, auditors, advisors, representatives, consultants and their related companies, and any other individual or entity which could be liable to any Class Member for any of the Released Class Claims and/or any Aggrieved Employee for any of the Released PAGA Claims arising from any form of work performed by Class Members and/or Aggrieved Employees for, on behalf of, or under contract with ABC, ABC’s predecessors, or their clients.
- 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 Sixty (60) days after the Administrator mails the Class Notice to Class Members 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 “Workday” means each day during the Class Period in which a Class

Member made one or more process serving attempts on a process service order received from ABC.

2. RECITALS

- 2.1 On September 1, 2022, Plaintiff Johnson submitted an exhaustion letter with the LWDA under the PAGA, which provided notice of Plaintiff Johnson's intent to seek civil penalties against ABC for alleged wage and hour violations committed against him and other allegedly "aggrieved employees." Plaintiff Johnson's September 1, 2022, exhaustion letter identified a litany of alleged Labor Code violations arising from ABC's alleged improper classification of California process servers as independent contractors including ABC's failure to: provide meal period, provide rest breaks, issue premium pay for non-compliant meal periods and rest breaks, failure to pay contractual, minimum, overtime, and double-time wages, off-the-clock work, failure to reimburse business expenses, failure to provide accurate itemized wage statements, failure to pay all wages timely during employment, failure to pay all wages timely on termination/separation of employment, and unlawful collection or deduction from wages. Plaintiff Johnson's September 1, 2022, PAGA letter sought penalties pursuant to and/or for violation of California Labor Code §§ 201, 202, 203, 204, 210, 212, 216, 221, 222, 223, 225.5, 226, 226.3, 226.7, 256, 226.8, 510, 512, 513, 558, 1194, 1197, 1197.1, 1198, 1199, 2698, 2699(f), and 2802.
- 2.2 On November 7, 2022, Plaintiff Johnson filed a civil action seeking penalties against ABC under the PAGA in Los Angeles Superior Court, Case No. 22STCV35360 (the "Johnson PAGA Action"). The Johnson PAGA Complaint sought civil penalties under PAGA for the violations alleged in his September 1, 2022, PAGA exhaustion letter including civil penalties arising from ABC's alleged: willful misclassification of process servers as independent contractors; failure to provide meal periods; failure

to provide rest breaks; failure to issue premium pay for non-compliant meal periods and rest breaks; failure to pay contractual, minimum, overtime, and double-time wages; off-the-clock work; failure to reimburse business expenses; failure to provide accurate itemized wage statements; failure to pay all wages timely during employment; failure to pay all wages timely on termination/separation of employment; and unlawful collection or deduction from wages.

- 2.3 On September 21, 2022, Plaintiff Pelletier submitted an exhaustion letter with the LWDA under the PAGA which provided notice of Plaintiff Pelletier's intent to seek civil penalties against ABC for alleged wage and hour violations committed against her and other allegedly "aggrieved employees." Plaintiff Pelletier's September 21, 2022, exhaustion letter identified a litany of alleged Labor Code violations arising from ABC's alleged improper classification of California process servers as independent contractors including its failure to: provide meal period, provide rest breaks, issue premium pay for non-compliant meal periods and rest breaks, failure to pay contractual, minimum, overtime, and double-time wages, off-the-clock work, failure to reimburse business expenses, failure to provide accurate itemized wage statements, failure to pay all wages timely during employment, failure to pay all wages timely on termination/separation of employment, and unlawful collection or deduction from wages. Plaintiff Pelletier's September 21, 2022, PAGA letter sought penalties pursuant to and/or for violation of California Labor Code §§ 201, 202, 203, 210, 216, 221, 223, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 432.5, 450, 510, 512, 558, 1174, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 2802, 2698, 2699.
- 2.4 On November 21, 2022, Plaintiff Pelletier filed the Action seeking civil penalties against ABC under the PAGA for the violations alleged in her September 21, 2022, PAGA exhaustion letter, including civil penalties

arising from ABC's alleged: willful misclassification of process servers as independent contractors; failure to provide meal periods; failure to provide rest breaks; failure issue premium pay for non-compliant meal periods and rest breaks; failure to pay contractual, minimum, overtime, and double-time wages; off-the-clock work; failure to reimburse business expenses; failure to provide accurate itemized wage statements; failure to pay all wages timely during employment; failure to pay all wages timely on termination/separation of employment; and unlawful collection or deduction from wages.

- 2.5 On March 14, 2023, Plaintiff Pelletier filed a putative class action complaint against ABC in the San Diego Superior Court, Case No. 37-2023-00010530 alleging wage and hour violations on behalf of all California process servers who performed service of process for ABC in California and were not classified by ABC as an employee (the "Pelletier Class Action"). The Pelletier Class Action included claims for willful misclassification as independent contractors, failure to reimburse business expenses, failure to provide accurate wage statements, failure to pay minimum wages, failure to provide overtime, failure to provide meal periods, failure to provide rest breaks, failure to pay wages when due, and unfair business practices (Cal. Bus. & Prof. Code § 17200 et seq. The Pelletier Class Complaint also contained individual claims for wrongful termination and retaliation for Plaintiff Pelletier.
- 2.6 ABC denies all of the allegations contained in Plaintiffs' PAGA exhaustion letters, related civil actions, and the Pelletier Class Complaint.
- 2.7 On August 24, 2023, the Parties and their counsel participated in a full-day mediation before the Hon. Amy D. Hogue (Ret.). The Parties were unable to reach an agreement during the course of the mediation. After the mediation concluded, the mediator made a mediator's proposal that all

Parties ultimately accepted. The Parties then drafted this Agreement based on the terms of the accepted mediator's proposal.

- 2.8 On December 6, 2023, Plaintiffs jointly filed an amended PAGA exhaustion letter providing notice of their intent to seek additional civil penalties based on additional alleged violations of California's Labor Code.
- 2.9 Prior to and/or during the mediation, the Parties exchanged extensive documents, class data, PAGA data, documents and information concerning ABC's financial condition, and legal argument. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").
- 2.10 No motion for class certification has been presented in any Court as of the date of this Agreement.
- 2.11 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting class claims that will be extinguished or affected by the Settlement. This Settlement resolves all outstanding claims for civil penalties brought against ABC under PAGA by process servers in California, including those alleged in the following cases: *Derek Lee, et al. v. ABC Legal Services, Inc., et al.*, Case No. 22STCV11138 (Los Angeles Sup. Ct.); and *Tamara Johnson v. ABC Legal Services, LLC, et al.*, Case No. CVRI2204528 (Riverside Sup. Ct.). This Settlement will not resolve the individual, non-PAGA claims brought by Derek Lee and Gabriela Melendez that are currently pending in arbitration before the American Arbitration Association as well as the individual, non-PAGA claims brought by Tamara Johnson.

3. Dismissal of the Johnson PAGA Action _and Pelletier Class Action Without Prejudice and Filing of the Operative Complaint in the Action.

- 3.1 Dismissal of the Johnson PAGA Action Without Prejudice. Within (5) days

of the date all Parties execute this Agreement, the Parties will submit a stipulation and proposed order dismissing the Johnson PAGA Action without prejudice. A true and correct copy of the stipulation and proposed order dismissing the Johnson PAGA Action without prejudice is attached as Exhibit D and is incorporated by reference into this Agreement.

3.2 Dismissal of the Pelletier Class Action Without Prejudice. The Parties already dismissed the Pelletier Class Action without prejudice on February 5, 2024.

3.3 Filing of the Operative Complaint in the Action. Within (5) days of the date all Parties execute this Agreement, the Parties will submit a stipulation and proposed order in the Action seeking leave for Plaintiffs to file the “Operative Complaint.” A true and correct copy of the stipulation and proposed order seeking leave for Plaintiffs to file the Operative Complaint in the Action is attached as Exhibit C and is incorporated by reference into this Agreement. A true and correct copy of the Operative Complaint to be filed in the Action is attached as Exhibit B and is incorporated by reference into this Agreement.

4. Monetary Terms

4.1 Gross Settlement Amount. ABC promises to pay One Million Four Hundred and Twenty-Five Thousand Dollars (\$1,425,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. ABC has no obligation to pay the Gross Settlement Amount (or any related employer payroll taxes) prior to the deadlines set forth in this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to ABC.

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

4.2.1 To Plaintiffs: Class Representative Services Payments to the Class Representatives of not more than \$10,000 each, \$20,000 total, for initiating the Action, providing services in support of the Action, and as consideration for their general release of all claims contained in this Agreement. The Class Representative Services Payments will be made in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member. ABC will not oppose Plaintiffs' requests for Class Representative Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expense Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payments less than the amounts requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

4.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33.33%, which is currently estimated to be \$474,952.50 and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00. ABC will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation

Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the 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 any 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 ABC harmless, and indemnifies ABC, from any dispute or controversy regarding any division or sharing of any of these payments.

To the Administrator: An Administrator Expenses Payment not to exceed \$14,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$14,000.00, the Administrator will allocate the remainder in the Net Settlement Amount.

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

4.2.3.1 Tax Allocation of Individual Class Payments: 25% of each Participating Class Member's Individual Class Payment will

be allocated to settlement of wage claims (the “Wage Portion”). The Wage Portion is subject to payroll taxes and withholding and will be reported on an IRS Form W-2. The remaining 75% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for unreimbursed business expenses, interest and statutory penalties (the “Non-Wage Portion”). The Non-Wage Portion is not subject to payroll taxes and withholdings and will be reported on an IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes on their Individual Class Payments.

4.2.3.2 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 allocate amounts equal to all Non-Participating Class Members’ Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4.2.4 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$200,000.00 to be allocated: 25% (\$50,000.00) to Individual PAGA Payments and 75% (\$150,000.00) to the LWDA PAGA Payment.

4.2.4.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$50,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b)

multiplying the result by each Aggrieved Employee's
PAGA Pay Periods.

4.2.4.2 Tax Allocation of Individual PAGA Payments. 100% of each Aggrieved Employees' Individual PAGA Payment will be allocated to settlement of claims for statutory penalties, will not be subject to payroll taxes and withholdings, and will be reported on an IRS Form 1099. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

4.2.4.3 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

5. SETTLEMENT FUNDING AND PAYMENTS

5.1 Class Workdays and Aggrieved Employee PAGA Pay Periods. Based on a review of its records to date, ABC estimates that there are approximately 1,600 Class Members who collectively worked a total of 263,986 Workdays during the Class Period and approximately 1,275 Aggrieved Employees who worked in a total of 22,399 PAGA Pay Periods during the PAGA Period.

5.2 Class Data. Not later than 45 days after the Court grants Preliminary Approval of the Settlement, ABC will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet or other format agreed to between ABC and the administrator. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ABC has a continuing duty to immediately notify Class

Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which ABC must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 5.3 Funding of Gross Settlement Amount. ABC shall fully fund the Gross Settlement Amount, and fund the amounts necessary to fully pay ABC's share of employer payroll taxes by transmitting the funds to the Administrator in two equal installments. ABC shall transmit the first half of the Gross Settlement Amount and ABC's share of employer payroll taxes to the Administrator no later than 30 days after the Effective Date. ABC shall transmit the second half of the Gross Settlement Amount and ABC's share of employer payroll taxes to the Administrator no later than 210 days after the Effective Date.
- 5.4 Payments from the Gross Settlement Amount. Within 14 days after ABC funds the first half of the Gross Settlement Amount, the Administrator will mail a first set of checks for 50% of the: Individual Class Payments; Individual PAGA Payments; LWDA PAGA Payment; Administration Expenses Payment; Class Counsel Fees Payment; Class Counsel Litigation Expenses Payment; and the Class Representative Service Payments. Within 14 days after ABC funds the second half of the Gross Settlement Amount, the Administrator will mail a second set of checks for the remaining 50% of the: Individual Class Payments; Individual PAGA Payments; LWDA PAGA Payment; Administration Expenses Payment; the Class Counsel Fees Payment; Class Counsel Litigation Expenses Payment; and the Class Representative Service Payments. 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.

5.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Participating Class Members and/or Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided (the "Void Date"). The Administrator will cancel all checks not negotiated by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may combine payments for the Individual Class Payment and the Individual PAGA Payment into a single check. Before mailing any checks, the Settlement Administrator must update the Participating Class Members' and/or Aggrieved Employees' mailing addresses using the National Change of Address Database.

5.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not

take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the Void Date.

5.4.3 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check and/or Individual PAGA Payment check is uncashed and cancelled after the Void Date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

6. RELEASES OF CLAIMS.

As of the Effective Date, Plaintiffs, Participating Class Members, Aggrieved Employees, and Class Counsel will release claims against the Released Parties as follows:

6.1 Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge the Released Parties from all claims, transactions, or occurrences through the date of the execution of this Agreement 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 filed in the Action; (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 5.2, below; and (c) any and all known or unknown claims of any nature Plaintiffs have, jointly or individually, against ABC and the Released Parties as of the date the Court grants preliminary approval of this Settlement ("Plaintiffs' Release"). Plaintiffs acknowledge they may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

6.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish 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."

6.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, businesses and entities owned or operated by Participating Class members, attorneys, heirs, administrators, successors, assigns, release Released Parties from: all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including, but not limited to, any and all claims involving any (a) alleged failure to pay wages, including contractual, minimum wage, overtime wages, double-time wages, and split shift wages; (b) failure to provide compliant, off-duty meal periods, and failure pay any or correct extra compensation owed for failure to provide compliant, off-duty meal periods; (c) failure to provide compliant, off-

duty rest breaks, and failure to pay any or correct extra compensation owed for failure to provide complaint, off-duty rest breaks; (d) failure to reimburse for business expenses; (e) failure to provide timely, accurate, and compliant itemized wage statements; (f) failure to keep accurate records regarding wages or hours worked; (g) failure to timely pay wages during employment; (h) failure to timely pay wages on termination of employment; (i) claims for or derivative of misclassification as an independent contractor; (j) claims for restitution, disgorgement, damages expenses, attorneys fees, costs, statutory or civil penalties pursuant to or arising from violation of any of the following: California Labor §§ 201, 202, 203, 204, 210, 212, 216, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 245-248.5, 256, 226.8, 432.5, 432.7, 450, 510, 512, 512, 558, 558.1, 1024.5, 1174, 1174.5, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1199, 2698 et seq, 2775, 2802, 2804, 2810.5, 3353, 3700, 3700.5, 3722, 3715, the applicable Industrial Welfare Commission Wage Order(s), California Civil Code § 1786, 15 U.S.C. § 1681; (k) claims for unfair competition and unfair business practices, including for violation of California Business Code §§ 17200, et seq.; and (l) claims for injunctive relief, declaratory relief, interest, attorneys fees, or costs for any of the foregoing alleged violations during the Class Period. Except as set forth in Section 6.1 with respect to Plaintiffs only, and Section 6.3 below with respect to Aggrieved Employees, Participating Class Members do not release any other claims, including claims for wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring after the Class Period.

- 6.3 Release by Aggrieved Employees: All Aggrieved Employees, whether Participating Class Members or Non-Participating Class Members, as well the State of California and all of its agencies/divisions (including, the LWDA) are deemed to release, on behalf of themselves and their respective former and present

representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA/civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and all PAGA notices, as well as those ascertained in the course of the Action including, but not limited to, any and all claims involving any: (a) alleged failure to pay wages, including contractual, minimum wage, overtime wages, double-time wages, and split shift wages; (b) failure to provide compliant, off-duty meal periods, and failure pay any or correct extra compensation owed for failure to provide compliant, off-duty meal periods; (c) failure to provide compliant, off-duty rest breaks, and failure to pay any or correct extra compensation owed for failure to provide complaint, off-duty rest breaks; (d) failure to reimburse for business expenses; (e) failure to provide timely, accurate, and compliant itemized wage statements; (f) failure to keep accurate records regarding wages or hours worked; (g) failure to timely pay wages during employment; (h) failure to timely pay wages on termination of employment; (i) claims for or derivative of misclassification as an independent contractor; (j) claims for civil penalties pursuant to or arising from violation of any of the following: California Labor §§ 201, 202, 203, 204, 210, 212, 216, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 245-248.5, 256, 226.8, 432.5, 432.7, 450, 510, 512, 512, 558, 558.1, 1024.5, 1174, 1174.5, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1199, 2698 et seq, 2775, 2802, 2804, 2810.5, 3353, 3700, 3700.5, 3722, 3715, the applicable Industrial Welfare Commission Wage Order(s), California Civil Code § 1786, 15 U.S.C. § 1681; and (k) and claims for recovery of attorney's fees and costs for any of the foregoing alleged violations during the PAGA Period.

7. MOTION FOR PRELIMINARY APPROVAL.

Plaintiffs' counsel shall prepare and file a motion for preliminary approval ("Motion for Preliminary Approval"). Plaintiffs' counsel shall provide a copy of the planned Motion for Preliminary Approval to Defense Counsel no less than 14 days before filing it with the Court.

- 7.1 ABC's Declaration in Support of Preliminary Approval. Within 21 days of the full execution of this Agreement, ABC will prepare and deliver to Class Counsel a signed Declaration from ABC and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator.
- 7.2 Plaintiffs' Responsibilities. Fourteen (14) days before filing their Motion for Preliminary Approval with the Court, Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft of the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft of the proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Class Data, amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Class Members and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) signed declarations from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to their competency to represent the Class Members, their timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any

actual or potential conflict of interest with Class Members, and/or the Administrator.

7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 90 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

7.4 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.

8. SETTLEMENT ADMINISTRATION.

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

8.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax

withholdings and providing reports state and federal tax authorities.

8.3 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.

8.4 Notice to Class Members.

8.4.1 No later than three (3) business 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, Workdays, and PAGA Pay Periods in the Class Data.

8.4.2 Using best efforts to perform as soon as possible, and in no event later than 30 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 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/Aggrieved Employee (if applicable), and the number of Workdays and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing the Class Notice, the Administrator shall update Class Member addresses using the National Change of Address database.

8.4.3 Not later than 5 business 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.

8.4.4 The deadlines for Class Members' written objections, Challenges to Workdays and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 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.

8.4.5 If the Administrator, ABC, 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, to agree on whether to include them as a Class Member and/or Aggrieved Employee. If the Parties agree, such persons will be a Class Member and/or Aggrieved Employee entitled to the same rights as other Class Member and/or Aggrieved Employee under this Agreement, 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 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever is later.

8.5 Requests for Exclusion (Opt-Outs).

8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or

postmarked by the Response Deadline.

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

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

8.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment.

8.6 Challenges to Calculation of Workdays and PAGA Pay Periods. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an

additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workdays and/or PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workdays and/or PAGA Pay Periods (if any) contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workdays and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workdays and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

8.7 Objections to Settlement.

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

8.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

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

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

8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or

invalid) received, objections received, challenges to Workdays and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all objections received.

8.8.4 Workday and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member and/or Aggrieved Employee challenges over the calculation of Workdays and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

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

8.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements of all payments made under this

Agreement that does not contain any identifying information of Class Members or Aggrieved Employees. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

9. CLASS SIZE ESTIMATES

Based on its records, ABC estimates that there are 1,600 Class Members who collectively worked a total of 263,986 Workdays during the Class Period and approximately 1,275 Aggrieved Employees who worked in a total of 22,399 PAGA Pay Periods during the PAGA Period.

If, at the time Preliminary Approval is granted, the total number of Workdays increases by more than ten percent (10%) of the total number of Workdays that ABC previously provided to Class Counsel, then, at its option, ABC may elect to either: (1) increase the Gross Settlement Amount in proportion to the increased percentage of Workdays over 10% of the total number of Workdays that ABC previously provided to Class Counsel – for example, if such increase in Workdays is 12%, the Gross Settlement Amount will increase by 2%; or (2) end the Class Period on the date on which the number of Workdays does not exceed 10% of the total number of Workdays ABC previously provided to Class Counsel.

10. ABC'S RIGHT TO WITHDRAW

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, ABC may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if ABC 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, ABC will remain responsible for paying all Settlement Administration Expenses incurred to that point. ABC must notify Class Counsel and the Court of its election to withdraw not later than 14 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect absent a showing of good cause.

11. MOTION FOR FINAL APPROVAL

Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven 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.

- 11.1 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 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 11.2 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 release to be granted by Class Members and/or Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-

Judgment matters as are permitted by law.

- 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the material terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.
- 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members and/or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12. AMENDED JUDGMENT

If any amended judgment is required under Code of Civil Procedure section 384, the Parties

will work together in good faith to jointly submit and a proposed amended judgment.

13. ADDITIONAL PROVISIONS

13.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. No Waiver of Enforceability of Arbitration Agreement or Class Action Waivers Where Settlement Does Not Become Effective. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by ABC that any of the allegations in any PAGA exhaustion letters submitted to the LWDA or any complaints filed in the Action, including the Operative Complaint, have merit or that ABC has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that ABC's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, ABC reserves the right to contest certification of any class for any reasons, and ABC reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest ABC's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement). Nothing in this Agreement, nor the Parties' efforts to effectuate this Settlement, shall act as a waiver of ABC's ability to move to compel arbitration of all of Plaintiffs' claims on an individual basis. By entering into this Agreement and stipulating to the Settlement contained herein, the Parties agree that ABC is not waiving its right to compel individual arbitration of Plaintiffs' claims and contest Plaintiffs' or Class Members' ability to bring collective/class claims in the event that the Settlement does not become effective.

13.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, ABC and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in response to a court order or subpoena; or (4) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, ABC and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Further, ABC and/or Defense Counsel may disclose the Settlement to counsel, courts or arbitrators in any related matters including, but not limited to, arbitrations or actions brought against ABC with claims similar to the Action, where it is appropriate, in their sole discretion, to do so.

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

in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and ABC, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8 No Tax Advice. Neither Plaintiffs, Class Counsel, ABC nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury

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

- 13.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13 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.
- 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by ABC in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs and Class Counsel shall destroy, all paper and electronic versions of Class Data received from ABC unless, prior to the Court's discharge of the Administrator's obligation, ABC makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 13.15 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.
- 13.16 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.
- 13.17 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 day sent by email, addressed as follows:
To Plaintiff Johnson: shaun@setarehlaw.com and william@setarehlaw.com
To Plaintiff Pelletier: smarkley@nicholaslaw.org
To ABC: matt@dentelaw.com and london@meservylawpc.com
- 13.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 13.19 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 that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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DATED: April __, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: _____

JASON JOHNSON

DATED: April __, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: _____

KIMBERLEY PELLETIER

4/15/2024

DATED: April __, 2024

ABC LEGAL SERVICES, LLC.

DocuSigned by:

By: _____



Name: Timothy Dinehart

Title: CEO, ABC Legal Services

AS TO FORM ONLY:
4/15/2024

DATED: April __, 2024

MESERVY LAW, P.C.
DENTE LAW, P.C.

DocuSigned by:

By: _____



LONDON D. MESERVY

Attorneys for Defendant
ABC Legal Services, LLC

DATED: April __, 2024

NICOLAS & TOMASEVIC, LLP

By: _____

SHAUN MARKLEY

Attorneys for Plaintiff Kimberley Pelletier, Class
Members, and the State of California

DATED: April __, 2024

SETAREH LAW GROUP

By: _____

SHAUN SETAREH

Attorneys for Plaintiff Jason Johnson, Class Members,
and the State of California

DATED: April 17, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: 
ID WXK1S6Xvo2EnKLSybU43ioFu

JASON JOHNSON

DATED: April __, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: _____
KIMBERLEY PELLETIER

DATED: April __, 2024

ABC LEGAL SERVICES, LLC.

By: _____
Name: _____
Title: _____

AS TO FORM ONLY:

DATED: April __, 2024

MESERVY LAW, P.C.
DENTE LAW, P.C.

By: _____
LONDON D. MESERVY

Attorneys for Defendant
ABC Legal Services, LLC

DATED: April __, 2024

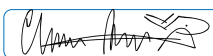
NICOLAS & TOMASEVIC, LLP

By: _____
SHAUN MARKLEY

Attorneys for Plaintiff Kimberley Pelletier, Class
Members, and the State of California

DATED: April 17, 2024

SETAREH LAW GROUP

By: 
ID f6DiqJJa6sNiGmqxpfAZ3i7x

SHAUN SETAREH

Attorneys for Plaintiff Jason Johnson, Class Members,
and the State of California

DATED: April __, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: _____

JASON JOHNSON

04/11/24

DATED: April __, 2024

FOR PLAINTIFFS, THE CLASS, AND THE STATE
OF CALIFORNIA

By: 
Kimberly Pelletier (Apr 11, 2024 11:46 PDT)

KIMBERLEY PELLETIER

DATED: April __, 2024

ABC LEGAL SERVICES, LLC.

By: _____

Name: _____

Title: _____

AS TO FORM ONLY:

DATED: April __, 2024

MESERVY LAW, P.C.
DENTE LAW, P.C.

By: _____

LONDON D. MESERVY

Attorneys for Defendant
ABC Legal Services, LLC

DATED: April 11, 2024

NICOLAS & TOMASEVIC, LLP

By: 

SHAUN MARKLEY

Attorneys for Plaintiff Kimberley Pelletier, Class
Members, and the State of California

DATED: April __, 2024

SETAREH LAW GROUP

By: _____

SHAUN SETAREH

Attorneys for Plaintiff Jason Johnson, Class Members,
and the State of California

EXHIBIT A

Pelletier, et al. v. ABC Legal Services, LLC, et al., No. 37-2022-00047743-CU-OE-CTL
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SAN DIEGO
NOTICE OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All individuals and/or entities who served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC Legal Services, LLC (or its predecessor(s)) as an independent contractor at any time between April 1, 2019, through and including **[INSERT PRELIMINARY APPROVAL DATE]** (“Class Members”).

and All individuals and/or entities who served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC Legal Services, LLC (or its predecessor(s)) as an independent contractor at any time between January 24, 2021, through and including **[INSERT PRELIMINARY APPROVAL DATE]** (“PAGA Group Members”).

On **[INSERT PRELIMINARY APPROVAL DATE]**, the Honorable Carolyn Caietti of the San Diego County Superior Court (the “Court”) granted preliminary approval of this class and PAGA representative action settlement and ordered the litigants to notify all Class Members and PAGA Group Members of the settlement. **You have received this notice because ABC Legal Services, LLC’s (“ABC”) records indicate that you are a Class Member and/or PAGA Group Member, and therefore entitled to a payment from the Settlement.**

Unless you choose to opt out of the Settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement fund. All PAGA Group Members will receive payments from the Settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at **[:00 .m. on [REDACTED], 2024**, in Department 70 of the San Diego County Superior Court located at 330 West Broadway, San Diego, California 92101.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit the Court’s website for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for an Individual Class Payment and/or Individual PAGA Payment. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims and PAGA penalty claims against ABC and the other Released Parties based on the facts alleged in the Action during the applicable Class Period and PAGA Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don’t want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written request for exclusion. Once excluded, you will no longer be eligible for an Individual Class Payment and will not be bound by the terms of the proposed class settlement.
The Opt-out Deadline is [DATE]	You cannot opt-out of the PAGA portion of the proposed Settlement. If the Settlement is approved, PAGA Group Members will receive an Individual PAGA Payment and will give up their rights to pursue PAGA penalty claims against ABC based on the facts alleged in the Action during the PAGA Period.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [DATE]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [DATE] in Department 70 of the San Diego County Superior Court located at 330 West Broadway, San Diego, California 92101. You don’t have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. If the Court grants final approval of the Settlement despite your objection, you will receive an Individual Class Payment and you will be bound by the terms of the Settlement.

Under the terms of the Settlement, the Parties estimate your Individual Class Payment and/or Individual PAGA Payment will be \$[INSERT TOTAL PAYMENT AMOUNT—CLASS AND PAGA PAYMENTS]. The process for calculating this estimate is set forth below. The actual amount of your Settlement award could be more or less than this estimated amount, depending on a number of factors, including the number of individuals who choose to opt out of the Settlement, the award of costs and attorneys’ fees associated with the Settlement, and the approved costs associated with administering the Settlement. This notice is to advise you of your rights, how you can participate in this Settlement or how you can request to be excluded from the Settlement, if you so choose. You have a right to participate in this Settlement without fear of retaliation by ABC.

Summary of the Litigation

On September 1, 2022, Plaintiff Jason Johnson (“Plaintiff Johnson”) submitted an exhaustion letter with the California Labor and Workforce Development Agency (“LWDA”) under the California Labor Code Private Attorneys General Act (Labor Code §§ 2698., *et seq.*) (the “PAGA”), which provided notice of Plaintiff Johnson’s intent to seek civil penalties against ABC for alleged wage and hour violations committed against him and other allegedly “aggrieved employees.” On November 7, 2022, Plaintiff Johnson filed a civil action seeking penalties against ABC under the PAGA in Los Angeles Superior Court, Case No. 22STCV35360 (the “Johnson PAGA Action”). The Johnson PAGA Action sought civil penalties under PAGA for the violations alleged in his September 1, 2022, PAGA exhaustion letter including civil penalties arising from ABC’s alleged: willful misclassification of process servers as independent contractors; failure to provide meal periods; failure to provide rest breaks; failure issue premium pay for non-compliant meal periods and rest breaks; failure to pay contractual, minimum, overtime, and double-time wages; off-the-clock work; failure to reimburse business expenses; failure to provide accurate itemized wage statements; failure to pay all wages timely during employment; failure to pay all wages timely on termination/separation of employment; and unlawful collection or deduction from wages.

On September 21, 2022, Plaintiff Kimberly Pelletier (“Plaintiff Pelletier”) submitted an exhaustion letter with the LWDA under the PAGA which provided notice of Plaintiff Pelletier’s intent to seek civil penalties against ABC for alleged wage and hour violations committed against her and other allegedly “aggrieved employees.” On November 21, 2022, Plaintiff Pelletier filed the Action seeking civil penalties against ABC under the PAGA for the violations alleged in her September 21, 2022, PAGA exhaustion letter, including civil penalties arising from ABC’s alleged: willful misclassification of process servers as independent contractors; failure to provide meal periods; failure to provide rest breaks; failure issue premium pay for non-compliant meal periods and rest breaks; failure to pay contractual,

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

minimum, overtime, and double-time wages; off-the-clock work; failure to reimburse business expenses; failure to provide accurate itemized wage statements; failure to pay all wages timely during employment; failure to pay all wages timely on termination/separation of employment; and unlawful collection or deduction from wages. On March 14, 2023, Plaintiff Pelletier filed a putative class action complaint against ABC in the San Diego Superior Court, Case No. 37-2023-00010530 alleging wage and hour violations on behalf of all California process servers who performed service of process for ABC in California and were not classified by ABC as an employee (the “Pelletier Class Action”). The Pelletier Class Action included claims for willful misclassification as independent contractors, failure to reimburse business expenses, failure to provide accurate wage statements, failure to pay minimum wages, failure to provide overtime, failure to provide meal periods, failure to provide rest breaks, failure to pay wages when due, and unfair business practices (Cal. Bus. & Prof. Code § 17200 et seq. The Pelletier Class Complaint also contained individual claims for wrongful termination and retaliation for Plaintiff Pelletier. Plaintiff Pelletier resolved her individual claims for wrongful termination and retaliation for a separate payment of \$20,000.00 that was negotiated separately and after this Settlement was negotiated.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On August 24, 2023, the Parties and their counsel participated in a full-day mediation before the Hon. Amy D. Hogue (Ret.). With Judge Hogue’s guidance, the parties were able to negotiate a complete settlement of Plaintiffs’ claims.

On December 6, 2023, Plaintiffs jointly filed an amended PAGA exhaustion letter providing notice of their intent to seek additional civil penalties based on additional alleged violations of California’s Labor Code. On **[INSERT DATE]**, Plaintiffs jointly filed an amended complaint in the Action (the “Operative Complaint”).

Counsel for Plaintiffs, who are the attorneys appointed by the Court to represent Class Members and PAGA Group Members, Setareh Law Group and Nicholas & Tomasevic, LLP (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this Action have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Despite agreeing to and supporting the Settlement, ABC denies any liability or wrongdoing of any kind whatsoever associated with Plaintiffs’ allegations and claims brought in the Action or that could have been brought based on the facts alleged. ABC asserts that they have valid defenses to Plaintiffs’ claims. By agreeing to settle, ABC is not admitting liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class or PAGA action. ABC has agreed to settle the Action as part of a compromise with Plaintiffs. The Court has not ruled on who should win. Rather, the Parties have entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Settlement Agreement, in order to avoid the burden, expense, and uncertainty associated with litigating Plaintiffs’ claims.

Summary of the Proposed Settlement Terms

Plaintiffs and ABC have agreed to settle the alleged class and PAGA claims in the Action in exchange for a Gross Settlement Amount of \$1,425,000.00. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of up to \$10,000 each to Plaintiff Johnson and Plaintiff Pelletier for their services on behalf of the class; (3) up to \$474,952.50 in attorneys’ fees and up to \$20,000 in litigation costs and expenses; (4) a \$200,000.00 settlement of claims under the PAGA, inclusive of a \$150,000 payment to the LWDA in connection with the PAGA, and a \$50,000.00 payment (“PAGA Fund”) to all PAGA Group Members; and (5) reasonable Settlement Administrator’s fees and expenses of up to **[\$[INSERT AMOUNT]]**. After deducting the above payments, a total of approximately **[\$[INSERT AMOUNT]]** will be allocated to Class Members who do not opt out of the Class Settlement (“Net Settlement Fund”). Additionally, all PAGA Group Members will receive a proportional share of the \$50,000.00 PAGA Fund, regardless of whether they opt out of the Class Settlement.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Payments from Net Settlement Fund. ABC will calculate the total number of workdays on which a Class Member made one or more process serving attempts on a process service order received from ABC (or its predecessor(s)) as an independent contractor at any time between April 1, 2019, through and including [INSERT PRELIMINARY APPROVAL DATE] (the “Class Period”), and the aggregate total number of qualifying workdays worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of qualifying workdays, resulting in the “Qualifying Class Workdays” value. Each Class Member’s share of the Net Settlement Fund (their “Individual Class Payment”) will be calculated by multiplying each individual Class Member’s total number of workdays during the Class Period by the Qualifying Class Workdays value. Participating Class Members Individual Class Payments will be reduced by any required deductions for each of the Participating Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely requests for exclusion from the Settlement, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Qualifying Class Workdays worked, so that the amount actually distributed to Participating Class Members equals 100% of the Net Settlement Fund.

According to ABC’s records, you worked a total of [REDACTED] workdays during the Class Period. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$[INSERT AMOUNT].

Payments from PAGA Fund. ABC will calculate the total number of Qualifying PAGA Periods worked by each PAGA Group Member between January 24, 2021, through and including [INSERT PRELIMINARY APPROVAL DATE] (the “PAGA Period”) and the aggregate total number of Qualifying PAGA Pay Periods worked by all PAGA Group Members during the PAGA Period. A Qualifying PAGA Pay Period is any pay period in which a PAGA Group Member served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC (or its predecessor(s)) as an independent contractor at least once. To determine each PAGA Group Member’s estimated share of the PAGA Fund (their “Individual PAGA Payment”), the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Qualifying PAGA Pay Periods of all PAGA Group Members, resulting in the “PAGA Pay Period” value. Each PAGA Group Member’s Individual PAGA Payment will be calculated by multiplying each individual PAGA Group Member’s total number of Qualifying PAGA Pay Periods by the PAGA Pay Period value. A request for exclusion from the Settlement does not exclude a PAGA Group Member from the Released PAGA Claims, and the PAGA Group Member will receive their Individual PAGA Payment even if they submit a valid request for exclusion as to the Class Settlement.

According to ABC’s records, you worked a total of [REDACTED] pay periods during the PAGA Period. Accordingly, your estimated Individual PAGA Payment is approximately \$[INSERT AMOUNT].

Your Estimated Payment and Timing of Payment: Based on the above, your estimated Individual Class Payment and/or Individual PAGA Payment from the Settlement is approximately \$[INSERT AMOUNT]. If you believe the workday or pay period information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, 1099s, or communications from ABC). All disputes must be postmarked, faxed, or emailed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator

c/o [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

If you dispute the information stated above, ABC's records will control unless you are able to provide documentation that establishes otherwise.

Settlement payments, if approved by the Court, will be paid in two installments. Specifically, checks to Participating Class Members and PAGA Group Members for 50% of their Individual Class Payments and/or Individual PAGA Payments will be distributed in or about [INSERT MONTH] 2024, and checks to Participating Class Members and PAGA Group Members for the remainder of their Individual Class Payment and/or Individual PAGA Payment will be distributed in or about [INSERT MONTH] 2025. Class Counsels' attorneys' fees and costs, the Enhancement Payments to Plaintiffs, and payment to the LWDA in connection with the PAGA will be distributed on the same basis.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to Participating Class Members, PAGA Group Members, and the appropriate taxing authorities reflecting the payments they receive under the Settlement. Each Individual Class Payment, exclusive of the Individual PAGA Payment, will represent wages and penalties allocated using the following formula: 25% of each Individual Class Payment to Participating Class Members will be allocated as wages, for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. All Individual PAGA Payments to PAGA Group Members from the PAGA Fund will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Class Members and PAGA Group Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. Settlement payment checks to Participating Class Members and PAGA Group Members returned as undeliverable or remaining uncashed for more than one hundred and eighty (180) calendar days after issuance will be paid by the Settlement Administrator to the State Controller Unclaimed Property Fund in the name of the Participating Class Member or PAGA Group Member for whom the funds are designated.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your Settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the Settlement, you will be mailed two separate checks for your share of the Settlement's funds in the installments discussed above. In addition, as to ABC and all of its present, future and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, owners, members, shareholders, officers, directors, employees, partners, agents, predecessors, and any other successors, assigns, or legal representatives, insurers, co-insurers, reinsurers, attorneys, accountants, auditors, advisors, representatives, consultants and their related companies, and any other individual or entity which could be liable to any Class Member for any of the Released Class Claims and/or any Aggrieved Employee for any of the Released PAGA Claims arising from any form of work performed by Class Members and/or Aggrieved Employees for, on behalf of, or under contract with ABC, ABC's predecessors, or their clients ("Released Parties"), you will be deemed to have released the Released Class Claims during the Class Period and will be barred from collecting PAGA civil penalties on behalf of yourself and the LWDA for any of the Released PAGA Claims during the PAGA Period:

Released Class Claims: All claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including, but not limited to, any and all claims involving any (a) alleged failure to pay wages, including contractual, minimum wage, overtime wages, double-time wages, and split shift wages; (b) failure to provide compliant, off-duty meal periods, and failure pay any or correct extra compensation owed for failure to provide compliant, off-duty meal periods; (c) failure to provide compliant, off-duty rest breaks, and failure to pay any or correct extra compensation owed for failure to provide complaint, off-duty rest breaks; (d) failure to reimburse for business expenses; (e) failure to provide timely, accurate, and compliant itemized

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

wage statements; (f) failure to keep accurate records regarding wages or hours worked; (g) failure to timely pay wages during employment; (h) failure to timely pay wages on termination of employment; (i) claims for or derivative of misclassification as an independent contractor; (j) claims for restitution, disgorgement, damages expenses, attorneys fees, costs, statutory or civil penalties pursuant to or arising from violation of any of the following: California Labor §§ 201, 202, 203, 204, 210, 212, 216, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 245-248.5, 256, 226.8, 432.5, 432.7, 450, 510, 512, 512, 558, 558.1, 1024.5, 1174, 1174.5, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1199, 2698 et seq, 2775, 2802, 2804, 2810.5, 3353, 3700, 3700.5, 3722, 3715, the applicable Industrial Welfare Commission Wage Order(s), California Civil Code § 1786, 15 U.S.C. § 1681; (k) claims for unfair competition and unfair business practices, including for violation of California Business Code §§ 17200, et seq.; and (l) claims for injunctive relief, declaratory relief, interest, attorneys fees, or costs for any of the foregoing alleged violations for all times in which Participating Class Members served process or performed any work as a process server in the State of California under any agreement (written, oral, or implied) with ABC Legal Services, LLC (or its predecessor(s)) as an independent contractor at any time during the Class Period. Participating Class Members, other than Plaintiffs, do not release any other claims, including claims for wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring after the Class Period.

Released PAGA Claims: All claims for PAGA/civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and all PAGA notices, as well as those ascertained in the course of the Action including, but not limited to, any and all claims involving any: (a) alleged failure to pay wages, including contractual, minimum wage, overtime wages, double-time wages, and split shift wages; (b) failure to provide compliant, off-duty meal periods, and failure pay any or correct extra compensation owed for failure to provide compliant, off-duty meal periods; (c) failure to provide compliant, off-duty rest breaks, and failure to pay any or correct extra compensation owed for failure to provide complaint, off-duty rest breaks; (d) failure to reimburse for business expenses; (e) failure to provide timely, accurate, and compliant itemized wage statements; (f) failure to keep accurate records regarding wages or hours worked; (g) failure to timely pay wages during employment; (h) failure to timely pay wages on termination of employment; (i) claims for or derivative of misclassification as an independent contractor; (j) claims for civil penalties pursuant to or arising from violation of any of the following: California Labor §§ 201, 202, 203, 204, 210, 212, 216, 218.5, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 245-248.5, 256, 226.8, 432.5, 432.7, 450, 510, 512, 512, 558, 558.1, 1024.5, 1174, 1174.5, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1199, 2698 et seq, 2775, 2802, 2804, 2810.5, 3353, 3700, 3700.5, 3722, 3715, the applicable Industrial Welfare Commission Wage Order(s), California Civil Code § 1786, 15 U.S.C. § 1681; and (k) and claims for recovery of attorney's fees and costs for any of the foregoing alleged violations during the PAGA Period.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Class Settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class and PAGA Representative Action Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement. The written request for exclusion must include your name, signature, address, and telephone number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent to the Settlement Administrator to address below, fax the request for exclusion to the Settlement Administrator at facsimile number below, or email the request for exclusion to the Settlement Administrator at the email address below:

Settlement Administrator
c/o [REDACTED]

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

[REDACTED]
[REDACTED]

The request for exclusion must be postmarked, faxed, or emailed to the Settlement Administrator no later than [INSERT DATE]. If you submit a request for exclusion which is not postmarked, faxed, or emailed by [INSERT DATE], your request for exclusion will be rejected, and you will be included in the Class Settlement.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not receive an Individual Class Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Group Member, you will still be barred from collecting PAGA civil penalties for any of the Released PAGA Claims during the PAGA Period, and you will receive an Individual PAGA Payment.

Option 3 – Object to the Settlement

If you decide to object to the Settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the Settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed by First Class U.S. Mail or equivalent to the Settlement Administrator to address below, faxed to the Settlement Administrator at facsimile number below, or emailed to the Settlement Administrator at the email address below:

Settlement Administrator

c/o [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

All written objections must be must be postmarked, faxed, or emailed to the Settlement Administrator no later than [INSERT DATE]. By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described in Option 2 above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for [INSERT DATE], 2024, at [REDACTED] a.m./p.m. in the Superior Court of the State of California for the County of San Diego, and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the Settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class and Representative Action Settlement is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members and PAGA Group Members regarding this Notice and/or the Settlement should be directed to the Settlement Administrator or Class Counsel.

SETAREH LAW GROUP

Shaun Setareh (shaun@setarehlaw.com)

William M. Pao (william@setarehlaw.com)

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, ABC OR ABC'S ATTORNEYS
WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

EXHIBIT B

NICHOLAS & TOMASEVIC, LLP

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Facsimile (310) 888-0109

Attorneys for KIMBERLY PELLETIER and JASON JOHNSON,
on behalf of themselves and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA**IN AND FOR THE COUNTY OF SAN DIEGO**

KIMBERLY PELLETIER, an individual; and
JASON JOHNSON, and individual on behalf
of themselves and all others similarly situated,

Plaintiff,

vs.

ABC LEGAL SERVICES, LLC, a
Washington corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No. 37-2022-00047743-CU-OE-CTL

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

- (1) **FAILURE TO REIMBURSE EXPENSES**
[LAB. CODE, § 2802];
- (2) **FAILURE TO PROVIDE ACCURATE**
WAGE STATEMENTS [LAB. CODE, §
226];
- (3) **FAILURE TO PAY MINIMUM**
WAGES [LAB. CODE, § 1197];
- (4) **FAILURE TO PAY OVERTIME** [LAB.
CODE, § 510];
- (5) **FAILURE TO PROVIDE MEAL**
PERIODS [LAB. CODE, § 226.7];
- (6) **FAILURE TO PROVIDE REST**
BREAKS [LAB. CODE, § 226.7];
- (7) **FAILURE TO PAY WAGES WHEN**
DUE [LAB. CODE, §§ 201-203];

- (8) **FAILURE TO PROVIDE/PAY UNPAID SICK LEAVE** [LAB. CODE, §§ 245-248.5]
- (9) **UNLAWFUL FINANCIAL AND CRIMINAL BACKGROUND CHECKS** [LAB. CODE, §§ 432.5, 432.7, 1024.5; CIV. CODE, § 1786 ET SEQ.; 15 U.S.C. § 1681 ET SEQ.]
- (10) **UNFAIR BUSINESS PRACTICES—RESTITUTION** [BUS. & PROF. CODE, § 17200 ET SEQ.].
- (11) **UNFAIR BUSINESS PRACTICES—PUBLIC INJUNCTIVE RELIEF** [BUS. & PROF. CODE, § 17200 ET SEQ.].
- REPRESENTATIVE ACTION COMPLAINT FOR:**
- (12) **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT, LABOR CODE SECTIONS 2699, ET SEQ.**

DEMAND FOR JURY TRIAL

KIMBERLY PELLETIER, an individual (“Ms. Pelletier,”), and JASON JOHNSON, an individual (“Mr. Johnson”) (collectively, “Plaintiffs”), on behalf of themselves and all others similarly situated, bring this action against Defendants ABC LEGAL SERVICES, LLC, a Washington limited liability company (“ABC Legal,” or “Defendant”), and DOES 1 through 100, inclusive, and alleges on information and belief as follows:

INTRODUCTION

1. ABC Legal provides litigation-related services to law firms including service of process, e-filing, skip tracing, and venue selection. It touts itself as “the national leader in service of process.” <https://www.abcllegal.com/>. ABC Legal also advertises that it provides prompt, professional service of process so its clients “know [their] documents are in good hands [because ABC Legal’s] licensed process servers are paid more and aspire to a higher standard.” <https://www.abcllegal.com/service-of-process>.

2. To carry out the litigation-related service obligations owed to its customers, ABC Legal obtains the services of “Process Servers” like Plaintiffs and the similarly situated employees they seek to represent. Under the management and control of ABC Legal, these Process Servers carry out necessary litigation-related services for ABC Legal’s third-party customers. Despite Process Servers’ central role in ABC Legal’s business and the control exerted over Process Servers, ABC Legal uniformly misclassifies its Process Servers as “independent contractors.”

3. By refusing to recognize Process Servers as employees, ABC Legal cheats these individuals out of protections provided by California law such as minimum wages, overtime pay, and reimbursement of business expenses. In addition to denying these workers core benefits, ABC Legal’s misclassification also robs the State of important employee tax revenue and gives ABC Legal an undue advantage over law-abiding competitors who bear the necessary expense associated with employing similar workers.

4. This Class Action seeks recovery on behalf of Plaintiffs and other similarly situated Process Servers in California for violations of California’s Labor Code and the applicable Industrial Welfare Commission Wage Order(s) (“Wage Order(s)”) along with violations of California’s Unfair Competition Law predicated upon violations of California’s Labor Code and the applicable IWC Wage Order(s). It also seeks penalties under California’s Private Attorneys General Act for failure to comply with the Labor Code..

JURISDICTION & VENUE

5. This Court has subject matter jurisdiction to hear this case because the damages and penalties sought herein resulting from Defendant’s conduct exceeds the jurisdictional minimum of this Court.

6. Venue is proper pursuant to Code of Civil Procedure, sections 395 and 395.5, among other sections. The wrongful conduct and liability complained of in this Complaint arose, at least in part, in this County as some of the transactions that are the subject of this lawsuit occurred here and Defendant has conducted and continues to conduct business in this County. Specifically, Defendant employs aggrieved Process Server employees in this County and fails to comply with the Labor

1 Code and Wage Orders relating to those same workers.

2 **PARTIES**

3 7. Ms. Pelletier is and at all relevant times was a resident of California. She worked as
4 a Process Server for Defendant.

5 8. Mr. Johnson is and at all relevant times was a resident of California. He worked as a
6 Process Server for Defendant.

7 9. ABC Legal Services, LLC is a Washington limited liability company with a principal
8 business address at 633 Yesler Way, Seattle, WA 98104.

9 10. Plaintiffs do not know the true names and/or capacities, whether individual, partners,
10 or corporate, of Defendants sued herein as DOES 1 through 100, inclusive, and for that reason sues
11 said Defendants under fictitious names. Plaintiffs will seek leave to amend this Complaint when the
12 true names and capacities of these Defendants have been ascertained. Plaintiffs are informed and
13 believe and thereon allege that these Defendants are responsible in whole or in part for Plaintiffs'
14 alleged damages.

15 11. At all times mentioned, Defendants were the agents, alter egos, servants, joint
16 venturers, joint employers, or employees for each other. Defendants acted with the consent of the
17 other Co-Defendants and acted within the course, purpose, and scope of their agency, service, or
18 employment. All conduct was ratified by Defendants, and each of them.

19 **GENERAL ALLEGATIONS**

20 **A. ABC Legal's Business Model**

21 12. ABC Legal operates a litigation-related services business. The litigation-related
22 services it offers to law firms includes service of process, e-filing, skip tracing, and venue selection.
23 ABC Legal holds itself out to the public as "the national leader in service of process."
24 <https://www.abclegal.com/>. Further, ABC Legal advertises that it provides prompt, professional
25 service of process so its client "know [their] documents are in good hands [because ABC Legal's]
26 licensed process servers are paid more and aspire to a higher standard."
27 <https://www.abclegal.com/service-of-process>.

28 13. ABC Legal holds out to the public that it does "just one thing: file and serve

lawsuits.” <https://www.abclegal.com/>. ABC Legal states it files and serves around 125,000 lawsuits every month. *Id.* This includes “carry[ing] paper documents the last mile and ring[ing] people’s doors to deliver them.” *Id.* In order to carry out these services, ABC Legal obtains the labor of Process Servers like Plaintiffs and the similarly-aggrieved employees they seek to represent. Process Servers are paid for resolutions of service of process and not for attempts of service. <https://www.abclegal.com/partnerresources/reassigning-work>.

14. Needing to satisfy its customers and provide the services they want, ABC Legal retains and exercises a great deal of control over its Process Server workforce. This includes control and rigid standards regarding Process Servers’ timing of their work, steps required to complete service jobs, and the like.

B. ABC Legal Misclassifies Process Servers

Integral to ABC Legal’s litigation-related services business, ABC Legal utilizes the labor of Process Servers, like Plaintiffs and the similarly-aggrieved employees they seek to represent, to file and serve lawsuits for ABC Legal’s third-party customers. ABC Legal labels Process Servers as “independent contractors.” In short, these Process Servers perform a central part of ABC Legal’s litigation-related services business: the carrying and delivering of legal documents on behalf of ABC Legal customers. The work of Process Servers is necessary to ABC Legal’s litigation-related services business and is continuously performed for ABC Legal. Further, ABC Legal holds itself out as “the national leader in service of process.” Process Servers are naturally an essential component of ABC Legal’s business model.

15. ABC Legal strictly controls and regulates its Process Servers in connection with the performance of their service of process duties, both in contract and in fact. This control and direction includes, but is not limited to, the following:

- a. ABC Legal sets forth rigid standards regarding Process Servers’ timing of their work, steps required to complete service jobs, and the like.
- b. ABC Legal plans routes for its Process Servers.
- c. ABC Legal requires its Process Servers to undergo internal training.
- d. ABC Legal requires its Process Servers to abide by any requirements set forth by its

1 customers.

2 e. ABC Legal requires its Process Servers to make attempts on each job within 48 hours
3 of receipt and within every 48 hours after. Process Servers must submit their services
4 and attempts via the ABC Mobile application at the service location with the device's
5 GPS turned on, immediately following the service or attempt, and a photo with each
6 submission.

7 f. ABC Legal requires its Process Servers to operate with "due diligence." This includes
8 making extra notes on every service attempt and selecting all the appropriate options.
9 It also includes trying their best to determine whether an address is servable and
10 communicating that to the courts and customers via their proof.

11 g. ABC Legal requires every new Process Server to undergo an initial review when they
12 begin contracting with ABC Legal. During this time, a guide is in contact with the
13 Process Server, and each service entered will be reviewed to ensure adherence to its
14 regulations and the expectations of its customers.

15 h. ABC Legal keeps a "scorecard" on its Process Servers which ranks Process Servers
16 against one another based on their performance.

17 i. ABC Legal reduces the work its provides to a Process Server, or provides no work at
18 all, where the Process Server has too many overdue jobs, expired credentials, poor
19 performance, and/or a lull of work in their area.

20 j. ABC Legal states it does not have an official dress code, but expects Process Servers
21 to dress at least business-casual.

22 k. ABC Legal requires its Process Servers to act "positively and professionally." ABC
23 Legal reminds Process Servers they "are representing [themselves], ABC Legal, [its]
24 customers, and the courts, so treat everyone you meet with respect and speak
25 honestly."

26 l. Process Servers are expected to have the rules of service of process memorized, as
27 well as any applicable state specific rules. Process Servers must also be familiar with
28 ABC Legal's Expectations and ABC Legal's Operations policies.

m. Anytime a Process Server will not be serving for ABC Legal for 3 or more days, Process Servers must turn off the “Auto Dispatch” feature in the ABC Mobile application so that they will not receive work in their assigned area.

n. In order for a job to be reassigned, Process Servers must send a request to ABC Legal and provide an explanation for the request.

o. ABC Legal requires its Process Servers to agree to an onerous covenant not to compete.

16. ABC Legal is well aware of its misclassification of its Process Servers. It has already litigated prior misclassification cases and paid millions of dollars to settle them.

17. Furthermore, in 2019, ABC Legal advised its Process servers, including Plaintiffs, that they would be reclassified as employees in light of California law requiring this. However, no such change ever occurred and ABC Legal continues to operate using “independent contractors” to fulfil this central process serving role in their company.

C. ABC Legal’s Wage and Hour Violations

18. By refusing to recognize its Process Servers as employees, ABC Legal cheats these individuals out of protections provided by California law such as minimum wages, overtime pay, and reimbursement of business expenses. For example, as addressed above, Process Servers are paid for resolutions of service, not service attempts. Therefore, if a job cannot be completed, the Process Server receives no pay despite working hours for ABC Legal. California law requires compensation for *each* hour of work, and one cannot borrow wages from other hours worked to achieve the State’s minimum.

19. Additionally, no overtime is paid for work over 8 hours in a day or 40 hours in a week despite process servers, including Plaintiff, routinely working such hours.

20. Among other expenses, process servers need to use their own vehicle, cell phone, printer, and other equipment to complete their work. Yet they receive no reimbursement for mileage, data, or other automobile and cell phone-related expenses. Further, Process Servers receive reimbursement for printing by the page, but receive no reimbursement for the printer itself, ink, or other related necessary expenses.

21. As a further result of its misclassification of Process Servers, ABC Legal fails to provide these individuals with accurate itemized wage statements showing earnings, hours worked, pay rates, and the like.

22. ABC Legal also has no policies for providing breaks and, as a result, Process Servers like Plaintiff often do not take timely meal or rest breaks, nor are they compensated during their rest breaks as requested under California law.

23. Furthermore, given its underpayment of wages as stated above, ABC Legal fails to pay all wages due upon termination for former employees under Labor Code Section 203.

24. By misclassifying Plaintiffs and Process Servers as independent contractors, Defendant seeks to avoid various duties and obligations owed to employees under California's Labor Code and Industrial Welfare Commission ("IWC") Wage Orders, including: the duty to indemnify employees for all expenses and losses necessarily incurred in connection with their employment (Cal. Labor Code §2802); the duty to provide off-duty meal periods (Cal. Labor Code §§ 512, 226.7); the duty to authorize and permit paid rest periods (Cal. Labor Code §§ 226.7, 1194); the duty to pay all wages due (Cal. Labor Code §§ 201-203); the duty to furnish accurate wage statements (Cal. Labor Code §§ 226, 226.3); the duty to pay overtime premium pay under California state law (Cal. Labor Code § 510), and other legal obligations.

25. Plaintiffs challenge Defendant's policy of willfully and unlawfully misclassifying Process Servers as "independent contractors" and thereby refusing to indemnify them for employment-related expenses and losses, coercing them to purchase necessary services and items, failing to provide off-duty meal periods, failing to authorize and permit paid rest periods, failing to pay all wages due, failing to document actual hours worked (among other things) on pay statements as required by California law, and failing to pay state and federal overtime premium pay.

CLASS ALLEGATIONS

26. Pursuant to Code of Civil Procedure, section 382, Plaintiffs bring this lawsuit as a class action on behalf of themselves and all other similarly situated members of the Class, defined below. This action satisfies the ascertainability, numerosity, commonality, typicality, adequacy, predominance, and superiority requirements of class actions.

27. **Class Period.** The Class Period shall be defined as: four years preceding the date that the original complaint in San Diego Superior Court Case No. 37-2023-00010530-CU-OE-CTL was filed, until the full resolution of this action, plus any time that may be attributed to equitable or other forms of tolling.

28. Plaintiffs seek to represent the following Class of persons:

a. All individuals during the Class Period who personally performed service of process for ABC Legal, i.e., a “Process Server,” in California and who were not classified as employees (the “Class”).

b. This Class does not include Defendant, its officers, and/or its directors; the Judge to whom this case is assigned; or the Judge’s immediate family or staff.

29. Plaintiffs reserve the right to amend the above Class and to add additional classes and subclasses as appropriate based on investigation, discovery, and the specific theories of liability, among other reasons.

30. **Numerosity.** The potential members of the Class as defined are so numerous that joinder of all the members is impracticable. While the precise number of the members of the Class has not been determined, Plaintiffs are informed and believe that there are hundreds of individuals meeting the Class definition. Defendant has access to data sufficient to identify the members of the Class since they all perform work via the same mobile application and cannot outsource the work without ABC Legal’s permission.

31. **Adequacy of Representation.** The named Plaintiffs are fully prepared to take all necessary steps to fairly and adequately represent the interests of the Class defined above. Plaintiffs’ attorneys are ready, willing, and able to fully and adequately represent the Class and Plaintiffs. Plaintiffs’ attorneys are highly experienced in employment Class action litigation. Plaintiffs intend to prosecute this action vigorously.

32. **Common Questions of Law and Fact.** There are predominant common questions and answers of law and fact and a community of interest amongst Plaintiff and the claims of the Class as follows:

a. Whether Defendant misclassified Process Servers as “independent contractors”

1 instead of employees (e.g., whether ABC Legal can meet its burden to meet
2 each Prong of California's ABC test and/or its Borello test for employment
3 status);

4 b. Whether Defendant failed to reimburse Process Servers for reasonable business
5 expenses;

6 c. Whether Defendant paid Process Servers minimum wages for each hour
7 worked;

8 d. Whether Defendant paid Process Servers' wages when due;

9 e. Whether Defendant coerced Process Servers' patronage;

10 f. Whether Defendant required Process Servers to sign an unlawful covenant to
11 not compete as a condition of their hire;

12 g. Whether Defendant properly provided meal and rest breaks to Process Servers;

13 h. Whether Defendant compensated Process Servers separately for rest breaks;

14 i. Whether Defendant failed to properly pay Process Servers overtime; and

15 j. Whether Defendant engaged in an unlawful, unfair, and/or fraudulent business
16 practice or act in violation of Business and Professions Code, section 17200 *et*
17 *seq.* as it relates to Process Servers.

18 33. **Typicality.** Plaintiffs' claims are typical of the claims of all members of the Class
19 because Defendant applied and continues to apply its illegal classification and pay practices to all
20 Process Servers.

21 34. **Superiority of a Class Action.** A Class action is superior to other available means
22 for the fair and efficient adjudication of this controversy. Individual joinder of all members of the
23 Class is not practicable, and questions of law and fact common to the Class predominate over
24 questions affecting only individual Class members. Each Class member has been damaged and is
25 entitled to recovery due to Defendant's conduct described in this Complaint. A Class action will
26 allow those similarly situated to litigate their claims in the most efficient and economical manner for
27 the parties and the judiciary. Plaintiffs are unaware of any difficulties likely to be encountered in
28 this action that would preclude its maintenance as a Class action.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

(Class Complaint, Against All Defendants)

Failure to Reimburse Expenses—Lab. Code, § 2802 and IWC Wage Orders

35. Plaintiffs incorporate by reference every allegation contained above.

36. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the Class.

37. Process Servers necessarily incur many types of expenses that Defendant does not reimburse. These include but are not limited to computing and printing expenses as well as automobile-related expenses such as fuel, permits, insurance, maintenance and repairs. Further, Defendant does not reimburse Process Servers for cell phone and related data expenses despite requiring its workers to use a cell phone in the course of completing their work.

38. As alleged above, Plaintiffs and the Class incurred business expenses while performing necessary work for Defendant. They were never reimbursed because they were uniformly misclassified as independent contractors.

39. The California Labor Code, section 2802 and applicable Wage Orders require that employers reimburse employees for business expenses reasonable incurred. Defendant failed to do so.

40. Plaintiffs and the Class have been damaged by Defendant's failures in this respect in an amount to be proven at trial.

41. Plaintiffs and the Class are entitled to recover their damages, penalties, interest, costs, and attorneys' fees based on Defendant's violations.

SECOND CAUSE OF ACTION

(Class Complaint, Against All Defendants)

Failure to Provide Accurate Wage Statements—Lab. Code, § 226 and IWC Wage Orders

42. Plaintiffs incorporate by reference every allegation contained above.

43. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the

1 Class.

2 44. The purpose of Labor Code, sections 226 and 226.2 is to ensure that employees can
3 determine whether they are being paid their wages in accordance with California law. Under Section
4 226(h), “[a]n employee may also bring an action for injunctive relief to ensure compliance with this
5 section and is entitled to an award of costs and reasonable attorney’s fees.”

6 45. Defendant violated the above statutes by, among other things, failing to provide
7 accurate rates of pay, gross and net wages earned, and hours worked on a paystub to Process Servers.

8 46. Defendant’s violations of sections 226 and 226.2 as well as applicable Wage Orders
9 are ongoing and will continue until and unless this Court enters an injunction barring such violations.
10 Therefore, Plaintiffs seek damages and injunctive relief pursuant to Labor Code, section 226,
11 subsections (e) and (g), along with penalties for past violations, including attorneys’ fees and costs
12 incurred.

13 **THIRD CAUSE OF ACTION**

14 **(Class Complaint, Against All Defendants)**

15 **Failure to Pay Minimum Wages—Lab. Code, §§ 1194 and 1197 and IWC Wage Orders**

16 47. Plaintiffs incorporate by reference every allegation contained above.

17 48. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the
18 Class.

19 49. Pursuant to Labor Code, sections 1194 and 1197 and the applicable Wage Orders,
20 Plaintiffs and the Class are entitled to receive wages for all hours worked, *i.e.*, all time they were
21 subject to Defendant’s control, and those wages must be paid at least at the minimum wage rate in
22 effect during the time the employees earned the wages.

23 50. Defendant’s policies, practices, and/or procedures required Plaintiffs and the Class to
24 be engaged, suffered, or permitted to work without being paid wages for all of the time in which
25 they were subject to Defendant’s control. For example, if a job is not completed, the Process Server
26 receives no pay despite working hours for Defendant.

27 51. As a result of Defendant’s unlawful conduct, Plaintiffs and the Class have suffered
28 damages in an amount subject to proof, to the extent that they were not paid wages at a minimum
wage rate for all hours worked.

52. Pursuant to Labor Code, sections 1194 and 1194.2, Plaintiffs and the Class are entitled to recover unpaid minimum wage, interest thereon, liquidated damages in the amount of their unpaid minimum wage, and attorneys' fees and costs.

FORTH CAUSE OF ACTION
(Class Complaint, Against All Defendants)
Failure to Provide Overtime—Lab. Code, § 510 and IWC Wage Orders

53. Plaintiffs incorporate by reference every allegation contained above.

54. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the Class.

55. Labor Code, section 510 and Wage Orders require overtime pay of at least 1.5 times an employee's regular rate of pay for all hours worked over 8 in a day or 40 in a week.

56. Process Servers, including Plaintiffs, work well over 8 hours per day and well over 40 hours per week in line with Defendant's expectations and standards as necessary to complete the work assigned to them. Despite this, they receive no overtime pay in violation of California law.

57. Defendant is liable to Plaintiffs and the Class for unpaid overtime, interest, reasonable attorneys' fees and costs, and any related statutory penalties.

FIFTH CAUSE OF ACTION
(Class Complaint, Against All Defendants)
Failure to Provide Meal Periods—Lab. Code, § 226.7 and IWC Wage Orders

58. Plaintiffs incorporate by reference every allegation contained above.

59. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the Class.

60. Under Labor Code, sections 226.7 and 512, as well as applicable IWC Wage Orders, employers must provide a 30-minute uninterrupted, off-duty meal period for each work shift of more than 5 hours. Depending on hours worked, a second meal period may be owed as well. Where an adequate meal period is not provided, employees are entitled to one hour's compensation at their regular rate of pay.

61. Defendant has no meal or rest policies and they do not record when breaks start or stop. Nor does Defendant provide for uninterrupted meal periods for Process Servers or make any effort to relieve them of all duties.

62. Defendant does not pay premium wages in lieu of these breaks as required by law. And Process Servers have not otherwise waived their entitlement to meal breaks.

63. As a proximate result of Defendant's unlawful conduct, Plaintiffs and the Class sustained damages are entitled to recover unpaid wages, liquidated damages, interest, applicable penalties, attorneys' fees, and costs.

SIXTH CAUSE OF ACTION

(Class Complaint, Against All Defendants)

Failure to Provide Rest Breaks—Lab. Code, § 226.7 and IWC Wage Orders

64. Plaintiffs incorporate by reference every allegation contained above.

65. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the Class.

66. Pursuant to Labor Code, section 226.7 and 226.2, as well as applicable IWC Wage Orders, employers must provide a 10-minute uninterrupted, off-duty rest break for each work shift of 3.5 hours or more. During these periods, an employer must relieve the employee of all duties and relinquish all control over how an employee spends their time. Such rest breaks are to be paid. Where a rest break is not provided, employees are entitled to one hour's compensation at their regular rate of pay.

67. Defendant failed to provide for rest breaks or pay Process Servers for rest breaks if taken. Defendant also failed to pay compensation in lieu of these paid breaks.

68. As a proximate result of Defendant's unlawful conduct, Plaintiffs and the Class sustained damages and are entitled to recover unpaid wages, liquidated damages, interest, applicable penalties, attorneys' fees, and costs.

SEVENTH CAUSE OF ACTION

(Class Complaint, Against All Defendants)

Failure to Pay Wages When Due—Lab. Code, §§ 201-203

69. Plaintiffs incorporate by reference every allegation contained above.

70. Plaintiffs bring this cause of action as a Class action on behalf of themselves and all members of the Class who are no longer working for Defendant ABC Legal.

71. Defendant failed to pay all wages due, including the above-mentioned missing overtime wages, missing wages that went unreimbursed, that were not paid-for breaks or meal

1 periods, upon separation of employment as required by Labor Code, sections 201 through 203. As
2 such Plaintiffs and other former Process Servers in the Class are owed penalties in amount up to 30
3 days wages.

4 72. Plaintiffs and the Class Members are entitled to recover waiting time penalties and
5 unpaid wages, as well as interest, applicable penalties, attorneys' fees, and costs.

6 **EIGHTH CAUSE OF ACTION**
7 **(Class Complaint, Against All Defendants)**
8 **Failure to Provide/Pay Unpaid Sick Leave—Lab. Code, §§ 245-248.5**

9 73. Plaintiffs incorporate by reference every allegation contained above.

10 74. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the
11 Class.

12 75. California Labor Code, section 245 requires employers to provide paid sick days to
13 employees who work in California for the same employer for 30 or more days within a year from
14 the commencement of employment.

15 76. As a result of its misclassification of Plaintiffs and the Class, Defendant fails to
16 provide and/or pay sick leave, as required under Labor Code, sections 245-248.5.

17 77. Plaintiffs and the Class Members are entitled to recover the payment of sick days
18 unlawfully withheld, as well as interest, applicable penalties, attorneys' fees, and costs.

19 **NINTH CAUSE OF ACTION**
20 **(Class Complaint, Against All Defendants)**
21 **Unlawful Financial and Criminal Background Checks—Lab. Code, §§ 432.5, 432.7, 1024.5;**
22 **Civ. Code, § 1786 et seq.; and 15 U.S.C. § 1681 et seq.**

23 78. Plaintiffs incorporate by reference every allegation contained above.

24 79. Plaintiffs bring this cause of action as a Class action on behalf of themselves and the
25 Class.

26 80. Pursuant to California Labor Code, section 432.7, employers are prohibited from
27 asking applicants about certain criminal records until a conditional employment offer has been made.

28 81. Pursuant to California Labor Code, section 1024.5, employers are prohibited from
using a consumer credit report for employment purposes barring limited exceptions.

82. Employers who require applicants to agree, in writing, to any term or condition in violation of Labor Code, sections 432.7 and 1024.5 violate Labor Code, section 432.5.

83. Furthermore, Civil Code, section 1786 *et seq.* regulates the activities of investigative consumer reporting agencies and requires, among other things, that these agencies provide the information gained in their investigation to the consumer upon request, and to allow the consumer to visually inspect their files. Civ. Code § 1786.53(b).

84. Similarly, 15 U.S.C. § 1681 requires that consumer reporting agencies “adopt reasonable procedures for meeting the needs of commerce ... in a manner which is fair and equitable to the consumer, with regard to the confidentiality, accuracy, relevancy, and proper utilization of such information” 15 U.S.C. § 1681(b).

85. By making unlawful inquiries into applicants’, including Plaintiffs and the Class, financial and criminal history, Defendant violates Labor Code, sections 432.7 and 1024.5, in addition to Civil Code, section 1786 *et seq.* and 15 U.S.C. § 1681 *et seq.* And may making applicants agree to such inquiries in writing, Defendant violates Labor Code, section 432.5.

86. Plaintiffs and the Class Members are entitled to recover actual damages, as well as interest, applicable penalties, attorneys’ fees, and costs.

TENTH CAUSE OF ACTION

(Class Complaint, Against All Defendants)

Unfair Business Practices—Bus. & Prof. Code, § 17200 et seq. – Restitution

1. Plaintiffs incorporate by reference every allegation contained above.

2. Defendant knowingly and willfully engaged in the unlawful practices described above, which include but are not limited to:

- a. Intentionally misclassifying its employee Process Servers as “independent contractors;”
- b. Imposing unreimbursed business expenses on misclassified employees in violation of Labor Code, section 2802;
- c. Failing to pay overtime to Process Server employees;
- d. Failing to pay Process Servers for each hour worked;

- e. Failing to provide adequate meal and rest breaks to Process Servers;
- f. Failing to provide accurate pay statements to Process Servers in violation of Labor Code, section 226;
- g. Failing to pay Process Servers all wages due upon termination.;
- h. Making unlawful financial and criminal background checks, in violation of Labor Code sections 432.5, 432.7, and 1024.5; Civil Code section 1786, *et seq.*; and 15 U.S.C. § 1681, *et seq.*

3. Defendant intended to, and did, profit from these illegal acts.

4. As a direct and proximate result of the above, Plaintiffs and the Class Members have lost money or property, thereby entitling these individuals to restitution.

5. Pursuant to the Business and Professions Code, Plaintiffs and the Class Members are entitled to restitution of money or property acquired by Defendant by means of such unlawful business practices, in amounts not yet known, but to be ascertained at trial.

ELEVENTH CAUSE OF ACTION

(Against All Defendants)

Unfair Business Practices—Bus. & Prof. Code, § 17200 et seq. – Public Injunctive Relief

6. Plaintiffs incorporate by reference every allegation contained above.

7. Pursuant to the UCL, Plaintiffs are also entitled to public injunctive relief preventing ABC Legal's ongoing unlawful business practices, including illegal misclassification of workers. Applicable Wage Orders and the Labor Code define the employment relationship broadly to include individuals performing services within a hiring entity's usual course of business. The Labor Code also makes it unlawful to willfully misclassify workers. Labor Code, § 228.6. ABC Legal ignores these laws and operates illegally by using independent contractors to carry out a core part of its business operations.

8. Misclassification is a public injury. The California Legislature and California Supreme Court recognize that misclassification harms workers and their families, harms fair competition within our state, robs our state and federal governments of tax revenues, and creates social instability.

9. Plaintiffs seek such public injunctive relief here prohibiting Defendant from

1 continuing its illegal practice of misclassifying Process Servers.

2 10. If Defendant is not enjoined from engaging in the unlawful business practices
3 described above, Plaintiff, Class members, and the public will be irreparably injured. The exact
4 extent, nature, and amount of such injury is difficult to ascertain now.

5 11. The Class, including Plaintiffs, have no plain, speedy, and adequate remedy at law.

6 12. Defendant will continue to engage in the unlawful business practices described above
7 in violation of the Business and Professions Code, in derogation of the rights of Plaintiffs, the Class,
8 and of the public, if not enjoined by this Court.

9 13. The success of Plaintiff in this action will result in the enforcement of important rights
10 affecting the public interest by conferring a significant benefit upon the public.

11 14. Private enforcement of these rights is necessary as no public agency has pursued
12 enforcement. There is a financial burden incurred in pursuing this action, and it would be against
13 the interests of justice to require the payment of attorneys' fees from any recovery in this action.
14 Plaintiff is therefore entitled to an award of attorneys' fees and costs of suit under the "common
15 fund," "substantial benefit," and other important doctrines.

16 **TWELVETH CAUSE OF ACTION**

17 **(Against All Defendants)**

18 **Civil Penalties Under the California Private Attorneys General Act ("PAGA")**

19 15. Plaintiffs incorporate by reference every allegation contained above.

20 16. Plaintiffs are aggrieved employees under PAGA. They worked for Defendant over
21 the last year and Defendant failed to comply with the above-described Labor Code and Wage Order
22 requirements during the course of their employment.

23 17. PAGA permits aggrieved employees, like Plaintiffs, to recover civil penalties for
24 violations of numerous Labor Code sections on behalf of the State of California. (*See* Lab. Code, §
25 2699.5.) Plaintiff seeks to recover penalties for Labor Code violations occurring to all other
26 individuals who performed litigation-related services for Defendant in California within the relevant
27 PAGA recovery period (i.e. within one year and 65 days from the filing of this Complaint plus any
28 relevant tolling periods).

18. Defendant's conduct, as alleged above, violates numerous sections of the California

1 Labor Code, including but not limited to, the following:

- 2 a. Labor Code sections 201, 202, 203, 204, 216, and 256, for failure to timely pay
3 Plaintiff and other similarly-aggrieved employees all earned wages;
- 4 b. Labor Code section 226.8, 2775, and 3353 for willful misclassification of Process
5 Servers as “independent contractors,” which triggers penalties under Labor Code
6 sections 210, 225.5, 226.8(c), 558, 558.1, 1174.5, 1197.1, and 2699(f), as well as
7 attorney’s fees, costs, interests, liquidated damages, and penalties under Labor Code
8 Sections 210, 226(e), 226(h), 558, 1194, 1194.2, 1197.1, 2802(c), and 2698, *et seq.*
9 and injunctive relief under Labor Code section 1194.5;
- 10 c. Labor Code sections 204, 210, 223, 226.2, 558 1194, 1194.2, 1197, 1197.1, and 1199,
11 for failure to pay Plaintiff and other similarly-aggrieved employees all earned wages;
- 12 d. Labor Code sections 510 and 1198, for failure to compensate Plaintiff and other
13 similarly-aggrieved employees with all required overtime pay;
- 14 e. Labor Code sections 204, 223, 226.2, 226.7, 512, and 1198, for failure to provide all
15 required meal and rest breaks to Plaintiff and other similarly-aggrieved employees;
- 16 f. Labor Code sections 221, 223, 224, 225.5, 432.5, and 2802, for failing to reimburse
17 or indemnify expenses or losses incurred as a result of Plaintiff and other similarly-
18 aggrieved employees performing work duties;
- 19 g. Labor Code sections 226, 226.2, 226.3, 1174, and 1174.5 for failure to provide
20 accurate wage statements to Plaintiffs and other similarly-aggrieved employees;
- 21 h. Labor Code sections 226, 226.2, 1174, 1174.5, and 1174, for failure to maintain
22 accurate employment records related to Plaintiff and other similarly-aggrieved
23 employees’ work;
- 24 i. Labor Code section 450 for requiring Process Servers to make a significant purchase
25 as a condition of employment;
- 26 j. Labor Code section 432.5 for requiring Process Servers to agree to an unlawful
27 covenant not to compete;
- 28 k. Labor Code section 212 for issuing in payment of wages due, or to become due, an

order, check, draft, note, memorandum, or other acknowledgment of indebtedness, which is not negotiable and payable in cash, on demand, without discount, as some established place of business in the state;

1. Labor Code sections 233, 234, 258.5, and 3700 *et seq.* (including but not limited to Labor Code sections 3700.5, 3715, and 3722) for failure to provide any paid sick leave and workers' compensation to Plaintiffs and other similarly situated employees;
- m. Labor Code sections 245-248.5 for failure to provide and/or pay unpaid sick leave to Process Servers;
- n. Labor Code sections 432.5, 432.7, and 1024.5, Civil Code section 1786, *et seq.*, and 15 U.S.C. § 1681, *et seq.* for making unlawful inquiries into applicants' criminal and financial history;
- o. Labor Code section 2810.5 for failure to provide written notice to employees at the time of hiring containing information such as the rate of pay, the basis of pay, the regular payday, and the employer's name and address; and
- p. Labor Code section 2804 for requiring Process Servers to agree to a contract which waives the benefits of the California Labor Code.

19. Plaintiffs have complied with all administrative requirements and pre-conditions contained within Labor Code section 2699.3. Plaintiffs' counsel electronically submitted the Initial PAGA Notice on September 21, 2022, to the Labor and Workforce Development Agency ("LWDA"). Plaintiffs' counsel electronically submitted an Amended PAGA Notice on December 6, 2023 to the LWDA. A copy of the notices were also provided to Defendant. The required 60-day period passed without any notice from the LWDA stating an intention to investigate the claims provided in the notice.

20. Pursuant to PAGA, and, in particular, California Labor Code sections 2699, 2699.3, and 2699.5, Plaintiffs are entitled to and hereby seek to recover civil penalties against Defendant, in addition to reasonable attorney fees and costs, on behalf of herself, the State, and all other similarly-aggrieved current and former aggrieved employees for violation of the Labor Code sections referenced in this Complaint.

21. DOES 1-100 may be held personally liable for civil penalties under PAGA as owners, executives, and agents if they violated or caused to be violated any of the Labor Code sections identified above.

PRAYER FOR RELIEF

Plaintiffs pray for judgment against Defendant, as follows:

1. For an order certifying the Class as described herein, appointing Plaintiffs as Class representative, and their counsel as Class counsel;
2. For compensatory damages according to proof;
3. For enhanced damages, liquidated damages, and penalties as permitted under prevailing law;
4. For pre-judgment and post-judgment interest where allowable;
5. For injunctive relief, including public injunctive relief, as described herein;
6. For restitution as described herein;
7. For punitive damages, where appropriate;
8. For civil penalties according to proof;
9. For costs of suit;
10. For reasonable attorneys' fees; and
11. For such other and further relief as this Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiffs demand a trial by jury.

Respectfully submitted:

Dated: April 11, 2024

**NICHOLAS & TOMASEVIC, LLP
SETAREH LAW GROUP**

By:

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Attorneys for KIMBERLY PELLETIER and JASON
JOHNSON, on behalf of themselves and all others
similarly situated

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EXHIBIT C

NICHOLAS & TOMASEVIC, LLP

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Attorneys for Defendant ABC LEGAL SERVICES, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

KIMBERLY PELLETIER, an individual, on
behalf of the State of California and all similarly-
aggrieved employees,

Plaintiff,

v.

ABC LEGAL SERVICES, LLC, a Washington
corporation; and DOES 1 through 100,
inclusive,

Defendant.

Case No.: 37-2022-00047743-CU-OE-CTL

Assigned for All Purposes to:
Hon. Carolyn Caietti, Dept. C-70

**JOINT STIPULATION AND [PROPOSED]
ORDER GRANTING PLAINTIFF LEAVE
TO FILE FIRST AMENDED COMPLAINT**

Complaint Filed: 11/28/2022
Trial Date: None Set

1 Plaintiff Kimberly Pelletier (“Plaintiff”) and Defendant ABC Legal Services, LLC
2 (“Defendant” or “ABC”) (collectively referred to as the “Parties”), by and through their respective
3 counsel of record, submit the following stipulation requesting an order allowing Plaintiff to file a
4 First Amended Complaint.

5 WHEREAS, on November 28, 2022, Plaintiff filed her complaint in this action seeking to
6 bring a representative action against Defendant for civil penalties under the California Labor Code
7 Private Attorneys General Act, Labor Code §§ 2689 et seq. (“PAGA”).

8 WHEREAS, on March 14, 2023, Plaintiff filed a putative class action complaint against
9 Defendant in the Superior Court of California, County of San Diego, entitled *Pelletier v. ABC*
10 *Legal Services, LLC*, Case No. 37-2023-00010530-CU-OE-CTL, seeking relief under the
11 California Labor Code and Business and Professions Code (the “Class Action”).

12 WHEREAS, on August 24, 2023, the Parties along with a plaintiff in another purported
13 PAGA representative action pending in Los Angeles Superior Court, Jason Johnson, attended
14 mediation in an attempt to globally resolve both matters filed by Plaintiff along with a separate
15 PAGA representative action filed by Jason Johnson. After intensive arms-length negotiations, the
16 Parties and Jason Johnson ultimately accepted a mediator’s proposal in the days following
17 mediation. The Parties and Jason Johnson executed a Class Action and PAGA Settlement
18 Agreement on _____.

19 WHEREAS, as a part of the Class Action and PAGA Settlement Agreement, the Parties
20 agreed that:

- 21 • Plaintiff would dismiss the Class Action without prejudice;
- 22 • Jason Johnson would dismiss his purported PAGA representative action pending in
23 Los Angeles Superior Court without prejudice; and
- 24 • Plaintiff would file a First Amended Complaint in this action adding Jason Johnson
25 as a named Plaintiff in this action; adding the putative class action causes of action
26 contained in Plaintiff’s class action complaint in the Class Action; and adding
27 additional claims under the PAGA—all of which were considered and valued by the
28 Parties and Jason Johnson at mediation;

1 WHEREAS, following filing of the First Amended Complaint, Plaintiff and Jason Johnson
2 will seek approval of the Class Action and PAGA Settlement Agreement in this Court to resolve
3 all class and PAGA representative claims at issue in this matter; and

4 WHEREAS, a redlined version of Plaintiff's proposed First Amended Complaint is
5 attached hereto as **Exhibit A** and a final, clean version of Plaintiff's proposed First Amended
6 Complaint is attached hereto as **Exhibit B**.

7 NOW THEREFORE, the Parties hereby stipulate as follows:

8 1. Plaintiff should be granted leave to file a First Amended Complaint, a copy of
9 which is attached hereto as **Exhibit B**; and

10 2. Defendant shall file its answer to the First Amended Complaint within 20 days of
11 the filing of Plaintiff's First Amended Complaint.

12 IT IS SO STIPULATED.

13 Dated: April 11, 2024

NICHOLAS & TOMASEVIC, LLP

14
15 By: _____

SHAUN MARKLEY (SBN 291785)

16 Attorneys for Plaintiff KIMBERLY
17 PELLETIER

18 **MESERVY LAW, P.C.**
19 **DENTE LAW, P.C.**

20 By: _____

LONDON D. MESERVY (SBN 216654)

21 Attorneys for Defendant ABC LEGAL
22 SERVICES, LLC
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[PROPOSED] ORDER

Having reviewed the Parties' stipulation and good cause appearing,

IT IS HEREBY ORDERED that Plaintiff is granted leave to file a First Amended Complaint. Plaintiff shall file the First Amended Complaint within ten (10) days upon entry of this Order. Defendant shall its answer to the First Amended Complaint within 20 days of the filing of Plaintiff's First Amended Complaint.

IT IS SO ORDERED.

DATED: _____

By: _____
Hon. Carolyn Caietti, Dept. C-70
JUDGE OF THE SUPERIOR COURT

EXHIBIT D

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13 Attorneys for Defendant ABC Legal Services, LLC
14

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 COUNTY OF LOS ANGELES
17

18 JASON JOHNSON on behalf of himself and
all others similarly situated, and the general
19 public,

20 Plaintiff,

21 v.

22 ABC LEGAL SERVICES, LLC., a
Washington Limited Liability Company; and
23 DOES 1 through 100, inclusive,

24 Defendants.
25
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Case No. 22STCV35360

**STIPULATION AND [PROPOSED]
ORDER TO DISMISS PAGA ACTION
WITHOUT PREJUDICE**

Judge: Hon. Upinder S. Kalra
Dept: 51

Complaint filed: November 7, 2022

1 Plaintiff Jason Johnson (“Plaintiff”) and Defendant ABC Legal Services, LLC (“ABC”)
2 (collectively referred to as the “Parties”), by and through their respective counsel of record, submit
3 the following stipulation requesting an order dismissing the above titled action without prejudice.

4 WHEREAS, on November 7, 2022, Plaintiff filed his complaint in this action seeking to
5 bring a representative action against Defendant for civil penalties under the California Labor Code
6 Private Attorneys General Act, Labor Code §§ 2689 et seq. (“PAGA”).

7 WHEREAS, on December 7, 2022, Plaintiff filed his first amended complaint in this action
8 seeking to bring a representative action against Defendant for civil penalties under the PAGA.

9 WHEREAS, on August 24, 2023, the Parties along with a plaintiff in another purported
10 PAGA representative action and class action pending in San Diego Superior Court, Kimberly
11 Pelletier, attended mediation in an attempt to globally resolve this action filed by Plaintiff along
12 with separate actions filed by Kimberly Pelletier (San Diego Superior Court Case Nos. 37-2023-
13 00010530 and 37-2022-00047743). After intensive arms-length negotiations, the Parties and
14 Kimberly Pelletier ultimately accepted a mediator’s proposal in the days following mediation. The
15 Parties and Kimberly Pelletier executed a Class Action and PAGA Settlement Agreement on
16 [REDACTED].

17 WHEREAS, as a part of the Class Action and PAGA Settlement Agreement, the Parties
18 agreed that:

- 19 • Plaintiff would dismiss this PAGA representative action without prejudice; and
- 20 • Plaintiff and Kimberly Pelletier would file a First Amended Complaint in San
21 Diego Superior Court Case No. 37-2022-00047743: adding Plaintiff as a named
22 Plaintiff; adding Plaintiff’s alleged PAGA claims in this action; adding putative
23 class action causes of action contained in Kimberly Pelletier’s class action
24 complaint in San Diego Superior Court Case No. 37-2023-00010530; and adding
25 additional claims under the PAGA—all of which were considered and valued by
26 the Parties and Kimberly Pelletier at mediation; and

27 WHEREAS, following the filing of the First Amended Complaint in San Diego Superior
28 Court Case No. 37-2022-00047743, Plaintiff and Jason Johnson will seek approval of the Class

1 Action and PAGA Settlement Agreement that will resolve all of Plaintiff's alleged PAGA
2 representative claims in this matter.

3 NOW THEREFORE, the Parties hereby stipulate that this PAGA representative action,
4 Los Angeles Superior Court Case No. 22STCV35360, be dismissed without prejudice.

5 IT IS SO STIPULATED.

6
7 Dated: _____, 2024

SETAREH LAW GROUP

8
9 By: _____
WILLIAM M. PAO (SBN 219846)

10 Attorneys for Plaintiff Jason Johnson

11
12 Dated: _____, 2024

MESERVY LAW, P.C.
DENTE LAW, P.C.

13
14 By: _____
LONDON D. MESERVY (SB# 216654)

15
16 Attorneys for Defendant ABC Legal Services,
LLC

17
18 **[PROPOSED] ORDER**

19 Having reviewed the Parties' stipulation and good cause appearing,

20 **IT IS HEREBY ORDERED** that this action is dismissed without prejudice.

21 **IT IS SO ORDERED.**

22
23 DATED: _____

24 By: _____
Hon. Upinder S. Kalra
Judge of the Superior Court