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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN THE COUNTY OF LOS ANGELES

ROSA ALVAREZ, an individual, on behalf
of himself and on behalf of all persons
similarly situated,

Plaintiff,

v.

BRITEWORKS, INC., a California
corporation; and DOES 1-100, Inclusive,

Defendants.

Case No. 22STCV35169

CLASS ACTION

*Assigned for all purposes to:
Hon. William F. Highberger, Dept. SSC-10*

**DECLARATION OF CHAD SAUNDERS IN
SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

**Date: March 3, 2026
Time: 10:00 a.m.
Dept.: SSC-10**

1 I, CHAD SAUNDERS, declare as follows:

2 1. I am an attorney duly licensed to practice in California and before this Court, and I
3 am a partner with Crosner Legal, P.C., counsel of record for Plaintiff in the above-captioned matter.
4 If called to testify as to the facts within, I would and could competently do so.

5 2. Attached hereto as Exhibit 1 is a true and correct copy of the Parties Class Action
6 and PAGA Settlement Agreement (the "Agreement"). Attached hereto as Exhibit 2 is a redline of
7 the Agreement showing changes made from the LASC Model Agreement. Attached hereto as
8 Exhibit 3 is a true and correct copy of the proposed Class Notice. Attached hereto as Exhibit 4 is
9 a true and correct copy of Plaintiff's PAGA notice letter and proof of submission to the LWDA.
10 Attached hereto as Exhibit 5 is a true and correct copy of proof of submission of the operative
11 complaint to the LWDA. Attached hereto as Exhibit 6 is proof of submission of the proposed
12 settlement to the LWDA via its online portal.

13 3. I am unaware of any other pending cases that would overlap with this case in any
14 way so the proposed class and the claims being resolved.

15 **CROSNER LEGAL'S QUALIFICATIONS**

16 4. I received a Bachelor of Arts in Philosophy from the University of Maryland
17 Baltimore County in 2001 and a Juris Doctor from New College of California School of Law in
18 2008. While a law student, I completed 600 hours of public interest law apprenticeship, at Legal
19 Services for Children, Disability Rights California, and as a Certified Legal Intern with the Bay
20 Area Legal Aid Housing Clinic. I have been a member of the California Bar since 2008. Since
21 2009, I have been a class action attorney, practicing mainly in the area of California wage and
22 hour law, with the firms of Hoffman & Lazear, Kralowec Law P.C., Sundeen Salinas & Pyle, and
23 Hunter Pyle Law. I joined Crosner Legal in May 2021 as a Senior Associate Attorney. In this role
24 I routinely draft complaints and discovery, brief motions, appear before California courts for law
25 and motion and settlement hearings, lead mediation negotiations, and draft settlement approval
26 documents. I also regularly communicate with class members, co-counsel, and opposing counsel.
27 I have represented thousands of employees in both state and federal courts, involving class
28 actions and PAGA claims, and I have assisted in obtaining millions of dollars for employees

1 during my years of practice.

2 5. I have been approved as Class Counsel by numerous courts throughout
3 California, including in the following cases: *Alonzo, et al. v. First Transit, Inc.* (Los Angeles
4 Superior Court case no. BC433932; settled for \$2 million); *Sadiq v. Greatwide Dedicated*
5 *Transport II, LLC* (Alameda County Superior Court case no. RG15789114; settled for
6 \$762,500); *Kostyuk v. Golden State Overnight Delivery Service, Inc.* (Alameda County Superior
7 Court case no. RG14727191; settled for \$1.25 million); *Newcomb, et al. v. J.B. Hunt Transport,*
8 *Inc.* (Alameda County Superior Court case no. RG16815734; settled for \$750,000); *Hooper v.*
9 *URS Midwest, Inc.,* (San Bernardino Superior Court Case No. CIV DS1607489; settled for
10 approximately \$3 million); *Brooks, et al. v. Chariot Transit, Inc.* (San Francisco Superior Court
11 case no. CGC-16-554398; settled for \$750,000); *Austin, et al. v. Foodliner, Inc.* (Northern
12 District of California, case number 16-cv-07185-HSG; settled for \$1.2 million); *Castro, et al. v.*
13 *ABM Industries, Inc., et al.* (Northern District of California, case number 17-cv-03026-YGR;
14 settled for \$5.4 million); *Benton v. Northern California InAlliance* (Sacramento County
15 Superior Court, case number 34-2021-00293036; settled for \$650,000); *French v. Lonza, Inc.*
16 (Los Angeles County Superior Court, case number 21STCV08097; settled for \$556,500);
17 *McKinnie v. Iron Mountain Secure Shredding, Inc., et al.* (Los Angeles Superior County
18 Superior Court, case number 21STCV05707; settled for \$1.5 million); and *Bland v. Marin*
19 *Airporter* (Marin County Superior Court, case number CIV 2003640; settled for \$450,000).

20 6. Zach Crosner is a 2010 graduate of University San Diego School of Law and he
21 has approximately thirteen years of experience as a practicing attorney. For nearly his entire
22 career, his practice has focused on litigation of wage & hour, consumer, and privacy class
23 action and representative action claims. Following graduation he immediately began working
24 for a nationally recognized plaintiff's complex litigation firm, CaseyGerry, where he worked
25 directly with past presidents of the consumer attorneys and recipients of trial attorneys of the
26 year awards. He also worked for other firms that included former CAALA and CLAY trial
27 attorney of the year recipients. While with these firms, he advocated for the rights of consumers
28 and employees in class action litigation, civil rights and employment litigation, catastrophic

1 injuries, insurance bad faith and appellate litigation.

2 7. In 2013, he founded the law firm of Crosner Legal, P.C. which since its inception
3 has focused almost exclusively on plaintiff-side class actions lawsuits representing employees,
4 consumers and other victims. Currently, over ninety percent (95%) of his practice is dedicated
5 exclusively to the prosecution of class actions and representative action lawsuits, and his law
6 firm is currently responsible as lead counsel or co-lead counsel for prosecuting over one
7 hundred (100) active wage and hour class actions and/or PAGA representative actions, as well
8 as a multitude of consumer and privacy class actions, in both federal and state courts throughout
9 California. He has been a direct participant in over one hundred (100) class action and/or
10 representative action settlements where he has been approved as adequate lead counsel.

11 8. Mr. Crosner has been selected by Super Lawyers as a “Southern California
12 Rising Star” for employment and labor law consecutively from 2018 through 2023. Super
13 Lawyers has also named me on their “Up-and-Coming 100” Southern California Rising Stars
14 List for consecutive years from 2021 through 2023. Only 2.5% of lawyers within California are
15 named a Super Lawyer Rising Star and even less are added to their Top Lists. Additionally, he
16 has been selected as a Top 40 Under 40 Civil Plaintiff Attorney by the National Trial Lawyers,
17 invitation-only organization composed of the premier trial lawyers, from 2019 through 2023.
18 He is an active participant in advocacy groups, including as an executive board member of the
19 Wage and Hour Committee and the Legislative Committee for the California Employment
20 Lawyers Association; a member of the Grassroots Advocacy Team for the National
21 Employment Lawyers Association; Wage and Hour Committee member and Class Action
22 Committee member for the National Trial Lawyers; a member of the American Association for
23 Justice; and a member of the Pound Civil Justice Institute.

24 9. Brandon Brouillette is a 2009 graduate of Loyola Law School, Los Angeles. Prior
25 to attending law school, he attended the University of Southern California and received a
26 *bachelors of science* in Business Administration in 2006. He has been a Partner at Crosner Legal
27 since February 1, 2023. Prior to joining Crosner Legal, he was a Senior Associate and Team
28 Director of a Wage and Hour Litigation Team at Capstone Law APC, which he originally joined

1 as an associate attorney in May 2016.

2 10. Since being admitted to the California State Bar in 2010, his entire legal career has
3 been dedicated to protecting employee and consumer rights through the prosecution of class
4 action and representative actions filed on behalf of plaintiffs in class actions and statewide
5 representative actions. Throughout his career he has managed or co-managed more than 100
6 class action and PAGA representative cases, from initial filing of the complaint through final
7 resolution. In particular, he has served as class counsel in several certified class action cases,
8 including:

- 9 a. *Party City Wage and Hour Cases*, JCCP4781 (class counsel for certified class of non-
10 exempt hourly employees who worked for Defendants in California)
- 11 b. *Lewis v. Express Messenger Systems*, Los Angeles Superior Court Case No.
12 BC501521 (class counsel for certified class of last-mile delivery drivers who were
13 alleged to be misclassified as independent contractors)
- 14 c. *Ramirez-Vivar v. Grifols Diagnostic Solutions, Inc., et al.*, Alameda County Superior
15 Court, Case No. RG21099519 (class counsel for certified classes of non-exempt
16 hourly employees who worked for Defendants in California)
- 17 d. *Jones v. LA Live*, Los Angeles County Case No. BC687908 (class counsel for
18 certified issue classes consisting of hourly employees who worked at Staples Center
19 and Nokia Theater)

20 11. He has been selected as a Super Lawyers 'Rising Star' every year since 2016 through
21 2022, which is a recognition that is provided to only 2.5% of active lawyers practicing within the
22 State of California

23 12. Crosner Legal, P.C. has obtained several multi-million dollar wage and hour class
24 action settlements while serving as lead class counsel in recent years, including but not limited to
25 a \$1.9 million wage and hour class action settlement in 2015 (*Smith v. Lux Retail North America,*
26 *Inc.*, Case No. 3:13-cv-01579-WHA (N.D. Cal.)); a \$4.1 million wage and hour class action
27 settlement in 2016 (*Aguirre v. Mariani Nut Company, Inc. et al.*, Case No. 34- 2016-00190252
28 (Sacramento Cty. Super Ct.)); a \$1.35 million wage and hour class action settlement in 2017

(*Montelone v. Ocean Cities Pizza, Inc.*, Case No. 56-2014-00458249 (Ventura Cty. Super. Ct.)), a \$1.8 million wage and hour class action settlement in 2018 (*Latham v. K.W.P.H. Enterprises, Inc. dba American Ambulance*, Case No. 17C-0162 (Kings Cty. Super Ct.)), a \$1.3 million wage and hour class action settlement in 2019 (*Means, et al. v. AirGas USA, LLC*, Case No. 17-CV-2160 JGB (C.D. Cal.)), a \$1.5 million wage and hour settlement in 2020 (*Babouchian, et al. v. Wyndham Vacation Ownership, et al.*, Case No. CV18-14601 (San Diego Cty. Super. Ct.)), a \$1.15 million wage and hour class action settlement in 2020 (*Buford v. Medical Solutions LLC*, Case No. 4:18-CV-04864-YGR (N.D.Cal.)); a \$7.25 million wage and hour class action settlement in 2020 in *Avina, et al. v. First Alarm Security & Patrol, Inc.*, Case No. 18CV323753 (Santa Clara Cty. Super Ct.); a \$2.2 million wage and hour class action settlement in 2021 (*Ghorchian, et al. v. West Hills Hospital, et al.*, Case No. LS029737 (Los Angeles Cty. Super. Ct.)); a \$2.85 million dollar wage and hour settlement in 2021 (*Valencia v. The Original Mowbray's Tree Service, Inc.*, Case No. CIVDS1825518 (San Bernardino Cty. Super. Ct.)); a \$1 million wage and hour class action settlement in 2022 (*Duong v. Loan Factory, Inc.*, Case No. 21CV382467 (Santa Clara Cty. Super. Ct.)), a \$1.4 million wage and hour class action settlement in 2023 in *Correa, et al. v. FedEx Supply Chain, Inc.*, Case No. CIVDS2023369 (San Bernardino Cty. Super. Ct.), a \$2.38 million wage and hour class action settlement in 2023 in *Michel, et al. v. Valley Thrift Store, Inc.*, Case No. 21STCV00925 (Los Angeles Cty. Super. Ct.); a \$2.5 million wage and hour class action settlement in 2023 in *Jajuga v. Pilot Travel Centers*, Case No. CIVDS1931464 (San Bernardino Cty. Super. Ct.); \$1.015 million wage and hour class action settlement in 2023 in *Gotishan v. Kyo Autism Therapy*, Case No. CGC-21-596378 (San Francisco Cty. Super. Ct); and a \$1.15 million wage and hour PAGA settlement in 2023 in *Vaughn v. Public Health Foundation Enters., Inc.*, Case No. 21STCV18512 (Los Angeles Cty. Super. Ct.); a \$1.5 million wage and hour class action settlement in *McKinnie v. Iron Mountain*, Case No. 21STCV05707 (Los Angeles Cty. Super. Court); a \$1.3 million wage and hour class action settlement in *Ellsworth, et al. v. Hallcon*, Case No. 20STCV06618 (Los Angeles Cty. Super. Court); a \$1.925 million wage and hour class settlement in 224 in *Lo v. Cyberpower, Inc.*, Case No. 21STCV31479 (Los Angeles Cty. Super. Ct); a \$1.19 million dollar wage and hour class

1 action settlement in 2024 in *Herrera v. Signature Flight Support LLC*, Case No. 22STCV18367
2 (Los Angeles Cty. Super. Ct.); a \$2.65 million wage and hour class action settlement in 2024 in
3 *Shilevinatz v. Airport Terminal Services*, Case No. CIVSB2229072 (San Bernardino Cty. Super
4 Ct.); a \$1 million wage and hour class action settlement in 2025 in *Hernandez v YZER, LLC*, Case
5 No. 23CV025345 (Alameda Cty. Superior Ct); a \$3.9 million wage and hour class action
6 settlement in 2025 in *Bolanos et al. v. Newport Fab*, Case No. 30-2022-01280696-CU-OE-CXC
7 (Orange Cty. Super. Ct.); and a \$5,093,537.50 wage and hour class action settlement in 2025 in
8 *Deaver et al. v Blue Diamond Growers*, Case No. 34-2022-00316490-CU-OE-GDS (Sacramento
9 Cty. Super. Ct.); a \$5.6 million wage and hour class action settlement in 2025 in *Goodwin et al. v*
10 *Save Mart*, Case No. STK-CV-UOE-2023-0002062 (San Joaquin Cty. Super. Ct.); a \$2.85
11 million wage and hour class action settlement in 2025 in *Munoz et al. v XPO Logistics*, Case No.
12 23CV003704 (Sacramento Cty. Super. Ct.); and a \$1.3 million wage and hour class action
13 settlement in 2025 in *Bui v. Spectrum Lifesciences*, Case No. 22STCV12522 (Los Angeles Cty.
14 Super. Ct.).

15 **BACKGROUND/LITIGATION HISTORY**

16 13. Briteworks provides turnkey janitorial services to offices, retail, warehouse
17 industrial and other industries. Plaintiff was employed by Briteworks as a janitor/maintenance
18 worker and assigned to Universal Waste and Coca-Cola in Los Angeles during the Class Period.

19 14. Plaintiff filed her class action lawsuit on November 4, 2022, alleging causes of
20 action for unpaid minimum wages, unpaid overtime wages, failure to provide meal and rest
21 breaks, wage statement violations, waiting time penalties, business expense reimbursements, and
22 unfair competition. After notice to the LWDA and Defendant, and exhausting administrative
23 remedies, Plaintiff filed a First Amended Complaint adding a cause of action under PAGA on
24 April 28, 2023.

25 15. Once the case was at issue, and after extensive meeting and conferring over case
26 management, discovery, and potential law and motion, the Parties eventually agreed to mediation.
27 In January 2024, the Parties mediated with Henry Bongiovi, Esq., a respected wage and hour
28 class action mediator. The mediation lasted a full day and with the mediator's assistance the

1 Parties reached agreement on all major issues and they then formally reduced the proposed
2 settlement to the Agreement now before the Court for approval. The Agreement meets the
3 requirements in the LASC Checklist for Preliminary Approval. As part of the Settlement, Plaintiff
4 filed a First Amended Complaint adding a PAGA cause of action, and the FAC is the Operative
5 Complaint. Both the FAC and the Agreement have been uploaded to the LWDA.

6 16. Prior to the mediation, Defendant provided Plaintiff with extensive informal
7 discovery, including Plaintiff's personnel, time, and payroll records, time and payroll records for a
8 randomly selected sampling of Class Members, wage statement exemplars, Defendant's employee
9 handbooks, including Defendant's policies and procedures regarding the payment of wages, the
10 provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of
11 wage statements, and termination wages, expense reimbursement policies, as well as information
12 regarding the number of putative Class Members who are current and former employees, the
13 number of Aggrieved Employees, the number of workweeks throughout the Class Period, and the
14 number of pay periods throughout the PAGA Period. From this information, Plaintiff was able to
15 analyze Defendant's liability for the claims asserted in this case and the potential exposure and
16 damages.

17 17. Based on this informal discovery, Plaintiff contends the Class Members were not
18 paid all wages due, not provided with legally compliant meal and rest periods, did not receive
19 compliant wage statements, did not receive required expense reimbursement, and did not receive
20 all wages due on separation of employment. In considering the reasonableness of the proposed
21 settlement, Plaintiff considered each of Defendant's counterarguments, which sharply contested
22 Plaintiff's claims. Plaintiff and counsel weighed the strength of Defendant's arguments, including
23 the risks of prevailing at class certification and on the merits, and determined that the proposed
24 settlement is in the best interests of the Class. Although remaining confident in the strength of her
25 claims, these factors led Plaintiff to discount the exposure analysis, as discussed below.

26 **TERMS OF THE PROPOSED SETTLEMENT**

27 18. The Parties have agreed (subject to the Court's approval) to resolve this matter for
28 the non-reversionary total sum of \$500,000.00 ("Gross Settlement Amount" or "GSA")

1 (Agreement, § 3.1.), which includes: (a) reasonable attorney’s fees of up to \$166,667 (1/3 of the
2 GSA) to compensate Class Counsel for work already performed and all work remaining to be
3 performed (Agreement, § 3.2.2.); (b) actual litigation expenses as documented and not to exceed
4 \$20,000.00 (Agreement, § 3.2.2.); (c) an Enhancement Award to Plaintiff in an amount not to
5 exceed \$10,000.00 (Agreement, § 3.2.1.); (d) Administration Costs to Atticus Administration,
6 LLC (the proposed settlement administrator) in an amount not to exceed \$10,000.00 (Agreement,
7 § 3.2.3.); and (e) PAGA penalties to the LWDA of \$37,500 (which is 75% of the \$50,000.00
8 PAGA Payment, with the remaining 25% or \$12,500.00 to Aggrieved Employees) (Agreement, §
9 3.2.5.). Employer-side payroll taxes (including FICA, FUTA, and SDI) will be paid by Defendant
10 separate and apart from the GSA. (Agreement, § 3.1.)

11 19. After all Court-approved deductions from the GSA, it is estimated that at least
12 \$243,333 (“Net Settlement Amount” or “NSA”), less all applicable employee-side taxes, will be
13 distributed to the estimated 766 Class Members, with an average individual settlement amount of
14 around \$317. Additionally, it is estimated that the 25% PAGA Payment (\$8,750.00) will be
15 distributed to the estimated 447 Aggrieved Employees, resulting in an average payment of about
16 \$28. per Aggrieved Employees. Under no circumstances will any portion of the Settlement revert
17 to Defendant. (Agreement, § 3.1.)

18 20. Atticus will calculate and issue Individual Class Payments to Participating Class
19 Members by “(a) dividing the Net Settlement Amount by the total number of Workweeks worked
20 by all Participating Class Members during the Class Period and (b) multiplying the result by each
21 Participating Class Member’s Workweeks.” (Agreement, § 3.2.4.) Additionally, Atticus will
22 calculate and issue payments to Aggrieved Employees based (a) dividing the amount of the
23 Aggrieved Employees’ 25% share of PAGA Penalties (\$12,500) by the total number of PAGA
24 Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b)
25 multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods.” (Agreement,
26 § 3.2.5.1.)

27 21. Each Class Member’s settlement award will be apportioned as follows: twenty
28 percent (20%) wages and eighty percent penalties and interest. Atticus will be responsible for

1 issuing Form W-2s for amounts deemed wages and Form 1099s for the portions allocated to
2 penalties and interest. (Agreement, §§ 3.2.4.1. and 3.2.5.2.)

3 22. Settlement checks must be cashed or deposited within 180 days after issuance.
4 (Agreement, § 4.4.1.) In the event a settlement check remains uncashed, such uncashed funds
5 shall be transmitted to Legal Aid Foundation of Los Angeles, as the proposed cy pres beneficiary
6 and subject to Court approval.

7 23. Within fifteen (15) calendar days after entry of the Preliminary Approval Order,
8 Defendant will provide Atticus with the Class Data, which Atticus will maintain as private and
9 confidential. (Agreement, § 4.2.)

10 24. Prior to mailing, Atticus will perform a search for updated addresses in the
11 National Change of Address database, and will use the NCOA database and skip traces to attempt
12 to find current addresses for any Notice returned as undeliverable. (Agreement, § 8.4.2.) If
13 Atticus is unable to obtain a better address for a Class Member, it will be under no obligation to
14 make further attempts to locate or notice the Class Member. (Agreement, § 8.4.3.) Within
15 fourteen days after receipt of the Class Data, Atticus will mail the Notice to all Class Members
16 via First-Class mail. (Agreement, § 8.4.2.)

17 25. The contents of the Notice are consistent with the terms of the Agreement and
18 California Rule of Court 3.769. The Notice informs Class Members how and when to request
19 exclusion from or object to the settlement and of their estimated payment amount which they will
20 automatically receive a settlement payment if they do nothing.

21 26. Class Members will have forty-five (45) days from the initial mailing of the Notice
22 to respond to the settlement by submitting a challenge to the number of weeks or pay periods
23 attributed to them, objecting, or requesting exclusion. (Agreement, § 8.5.1.) Class Members can
24 object to the settlement in writing via mail or fax by submitting a document with their name, the
25 words “Notice of Objection” or “Formal Objection” and a description of the arguments
26 supporting their objection, or they may be heard at the Final Approval Hearing. (Agreement,
27 § 8.7.)

28 27. Class Members can also request for exclusion from the settlement by mailing or

1 faxing a written request, including his or her name, address, phone number or email address, last
2 four digits of their Social Security Number or Employment Authorization number, and a
3 statement demonstrating his or her intent to opt out of the settlement. (Agreement, § 8.5.1.)

4 28. The Notice also informs the Class Members/Aggrieved Employees that they can
5 dispute the number of workweeks/pay periods used to calculate their settlement payments by
6 contacting Atticus before the Response Deadline and providing documentation to support their
7 dispute. Atticus will investigate the dispute, request additional information from Defendant, and
8 make a final decision as to the number of eligible work weeks/pay periods. (Agreement, § 8.6.)

9 29. Defendant will fund the settlement in two equal payments, the first within thirty
10 (30) calendar days after the Effective Date or by January 1, 2026, whichever is later, and the
11 second payment within 120 days thereafter. Atticus will disburse all payments required under this
12 Settlement within fourteen (14) calendar days of receipt of the full GSA. (Agreement, § 4.3-4.)

13 30. Upon final approval, Participating Class Members shall forever release the
14 Released Parties for the Released Claims for the Class Period, including all claims pleaded in the
15 Operative Complaint, and which could reasonably have been alleged, based on the Class Period
16 facts, allegations, and/or claims stated in the Operative Complaint, for work performed during the
17 Class Period, and as specifically detailed in Section 5.2 of the Agreement. Additionally, the
18 Aggrieved Employees will the Released Parties from all claims for PAGA penalties that were
19 alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the
20 Operative Complaint, and PAGA Notice, and as more specifically detailed in Section 5.3 of the
21 Agreement.

22 31. The Agreement provides for a service payment not to exceed \$10,000.00 to
23 Plaintiff. (Agreement, § 3.2.1.) Courts routinely approve service payments, or incentive awards,
24 to compensate named plaintiffs for the services they provide and the risks they incur during class
25 litigation. The requested service award is reasonable in light of the benefits Plaintiff conferred
26 upon the entire Class, resulting in a benefit to all Class Members and the State of California, the
27 time spent assisting counsel with the investigation and prosecution of these claims, commitment
28 to responding to discovery, and consenting to the proposed Agreement. Furthermore, by attaching

1 her name to this lawsuit, Plaintiff also took on the reputational risk that future employers would
2 learn of her participation in this case and would unfairly associate them with costly litigation,
3 costing them future employment opportunities. Any future employer could easily perform a
4 simple Google search – an unauthorized simple background check unknown to Plaintiff that can
5 still provide a plethora of information – and conclude that Plaintiff is not worth the risk of hiring
6 given her prior involvement in a lawsuit against a former employer. This is the kind of
7 reputational risk, borne only by Plaintiff, that the incentive award is meant to compensate.
8 Furthermore, in pursuing this action on behalf of the Class, Plaintiff risked a judgment against her
9 for attorney’s fees and costs in the event this matter should Briteworks prevail. For these reasons,
10 at final approval, Plaintiff will request the Court award her an enhancement payment in an
11 amount that does not exceed \$10,000.

12 **The Proposed Settlement is a Reasonable Compromise of Claims and Meets the**
13 **Dunk/Kullar Factors**

14 32. The proposed settlement was reached as a result of arm’s-length negotiations
15 facilitated by a respected mediator. Though cordial and professional, the settlement negotiations
16 have been, at all times, adversarial and non-collusive. Following mediation, counsel for the Parties
17 conducted further extensive and arm’s length negotiations on the settlement terms memorialized in
18 the Agreement.

19 33. While Plaintiff believes in the merits of her case, she also recognizes the inherent
20 risks of litigation and understand the benefit of Class Members receiving significant settlement
21 funds immediately as opposed to risking continued litigation in achieving class certification, the
22 merits of the case before and after trial, the damages awarded and/or an appeal that can take several
23 more years to litigate.

24 34. The Parties thoroughly investigated and evaluated the strengths and weaknesses of
25 their factual and legal arguments before reaching the proposed settlement, and engaged in sufficient
26 investigation, research and discovery to support the settlement. The proposed settlement was only
27 possible following significant analysis and evaluation of Defendant’s relevant policies and
28 procedures, as well as the data it produced for the putative Class.

1 35. Counsel for the Parties are particularly experienced in wage and hour employment
2 law, class actions and PAGA actions. Plaintiff's Counsel has prosecuted numerous cases on behalf
3 of employees for wage and hour violations and thus are experienced and qualified to evaluate the
4 class and PAGA claims, evaluate settlement versus trial on a fully informed basis, and to evaluate
5 the viability of the defenses. This experience informed Plaintiff's Counsel on the risks and
6 uncertainties of further litigation and guided their determination to endorse the proposed settlement.

7 36. The proposed settlement was only possible following significant analysis and
8 evaluation of Defendant's relevant policies and procedures, as well as the data that Defendant
9 produced for the Class. This permitted Plaintiff's Counsel to engage in a comprehensive analysis
10 of liability and potential damages. The discovery conducted resulted in Plaintiff's central theories
11 of liability, which are based on Plaintiff's claims that Defendant failed to provide compliant meal
12 and rest periods, failed to pay all minimum and overtime wages, failed to provide accurate, itemized
13 wage statements and failed to pay all wages due on separation of employment As explained above,
14 Defendant maintains that the discovery produced demonstrates it likely would prevail on both class
15 certification and the merits.

16 37. Plaintiff believes this case is suitable for certification as she contends there are
17 company-wide policies that violate California law and uniformly affect the Class Members.
18 Defendant's counterarguments, however, raise uncertainties with respect to both class certification
19 and success on the merits. As the California Supreme Court emphasized in *Sav-On v. Superior*
20 *Court* (2004) 34 Cal.4th 319, class certification is always a matter of the trial court's sound
21 discretion, and decisions following *Sav-On* have reached different conclusions with respect to
22 certification of wage and hour claims. While remaining confident in the strengths of her claims, all
23 of these factors led Plaintiff to discount the following maximum potential damage claims.

24 38. Defendant provided Plaintiff with class-wide data from which Plaintiff's Counsel
25 extrapolated a damage analysis in preparation of mediation. For purposes of the mediation, there
26 were a total of 766 Class Members who worked approximately 47,485 work weeks in the
27 limitations period, and 447 aggrieved employees and 8,934 pay periods within the PAGA Period.
28 We estimated Defendant's liability at about **\$10,280,510.**

1 39. First, Plaintiff contends Defendant failed to pay all wages due because it paid
2 employees based on their scheduled hours rather than their actual hours worked. Plaintiff alleges
3 she and the class members regularly performed worked both before and after their scheduled times
4 to, inter alia, gather and return cleaning supplies, and to report to their assigned locations within a
5 facility, and that Defendant's written policies required class members to be at their "work location
6 at the start of their scheduled shifts, ready to work," which resulted in having to perform "off the
7 clock" work. Per Plaintiff, these practices systematically underpaid employees for both regular and
8 overtime hours. On the other hand, Defendant contends it paid class members all wages due as
9 required under applicable law, and that it accurately tracked and paid for all employee hours worked
10 at the correct hourly rates. It further argued its policies strictly prohibited "off the clock" work, and
11 if any employees worked off the clock it was done without the company's authorization or
12 knowledge. Finally, Briteworks argued that determining if any off the clock work occurred, and the
13 reasons therefore, would require innumerable individualized inquiries and therefore class
14 certification would be improper. Without taking into consideration any of Defendant's defenses to
15 certification or on the merits, Plaintiff estimated Defendant's maximum exposure for this claim
16 **\$676,660** in damages for unpaid wages (47,485 work weeks * 1 hour/off the clock per week *
17 \$14.25 avg. min. wage).

18 40. Plaintiff next contends Defendant failed to provide legally compliant meal and rest
19 breaks. Specifically, as to meal breaks, Plaintiff contends class members did not receive legally
20 compliant thirty (30) minute first and second meal periods, and consistently were unable to take
21 timely, off duty, thirty-minute, uninterrupted meal periods. She alleges class members frequently
22 had to work through part or all their meal periods due to understaffing, pressure to complete their
23 job duties before having a meal, and commentary from supervisors instructing them to take short
24 meal periods or to skip meal periods completely, but were required to note a 30-minute meal period
25 on time sheet for thirty minutes regardless of whether they received a lawful 30-minute meal period.
26 Plaintiff also contends Briteworks failed to provide duty-free rest periods to Class Members for the
27 same reasons, and that employees were pressured to complete their assigned tasks as quickly as
28 possible and skip breaks as a consequence.

1 41. Defendant denies Plaintiff's contentions, claiming it made meal and rest breaks
2 available to Class Members in compliance with California law. Defendant contends its meal and
3 rest break policies are lawful and that Class Members were frequently reminded they were required
4 to take all meal and rest breaks. Defendant also contends that time records demonstrate that Class
5 Members took duty-free, timely meal and rest breaks. Defendant also contends its meal and rest
6 break policies and practices comported with the flexibility the *Brinker* court held was integral to
7 California's meal and rest period requirements. Finally, Defendant argues that Plaintiff's meal and
8 rest break claims are not susceptible to common proof, as the claims would require individualized
9 inquiry, including whether there was an unlawful companywide policy, whether employees had the
10 opportunity to take meal and rest periods, whether they voluntarily chose to forego their meal and
11 rest periods, and whether Defendant ever prevented them from taking meal and rest periods.
12 Accordingly, Defendant contends these claims are vulnerable to a ruling that class treatment is not
13 appropriate. Without taking into consideration any of Defendant's defenses to certification or on
14 the merits, Plaintiff estimates Defendant faces around **\$3,387,862.50** in damages for meal period
15 violations assuming a 100% violation rate (205,325 shifts (4.3 avg. shifts week) * 100% violation
16 rate * \$16.50/hour avg. wage) and after accounting for meal period premiums paid. On the rest
17 period claims, Plaintiff estimates around **\$3,387,862.50** in damages, again assuming a 100%
18 violation rate (205,325 shifts (4.3 avg. shifts week) * 100% violation rate * \$16.50/hour avg. wage).

19 42. For the expense reimbursement claims, Plaintiff argued Briteworks required Class
20 Members to use their personal cell phones to communicate with supervisors and coworkers
21 throughout their shifts without reimbursement. In response, Briteworks contended there was no
22 need to use a personal cell phone in the performance of Class Member job duties, and if anyone did
23 so it was purely for personal convenience and not a job requirement. Without accounting for any
24 potential defenses, Plaintiff estimates she and the Class Members are entitled to over **\$237,425** in
25 expense reimbursement (47,485 work weeks * \$5/week).

26 43. As a result of the above alleged violations, Plaintiff also alleges Briteworks failed
27 to timely pay all wages that were due and owing upon separation of employment. Thus, should the
28 primary claims fail, Plaintiff's claim for waiting time penalties would also fail. Defendant

1 also contends it would not be liable for waiting time penalties because a “good faith dispute” exists
2 over the payment of past wages. Further, Defendant contends Plaintiff would have to prove
3 Defendant “willfully” failed to pay Class Members appropriate wages due upon separation of
4 employment. Without taking into consideration any of Defendant’s defenses to certification or on
5 the merits, Plaintiff calculated Defendant’s maximum exposure for inaccurate wage statements at
6 about **\$913,800** (after accounting for the \$4,000 per employee cap) and estimated the total waiting
7 time penalties at about **\$1,686,960** based on 426 former employees during the limitations period
8 $(426 * (240 \text{ hours} * \$16.50/\text{hour}))$.

9 44. As far as potential PAGA liability, the theoretical civil penalties likely are around
10 \$1.4 million should Plaintiff prevail on all claims and establish violations of the multiple Labor
11 Code sections at issue. As with the class claims, Plaintiff discounted the potential PAGA penalties
12 based on Defendant’s various defenses on the merits and also accounted for the Court’s wide
13 discretion to reduce such penalties, or to decline to award penalties at all. Accordingly, the Parties
14 allocated \$50,000 to PAGA penalties. (Agreement, § 3.2.5.) Plaintiff submits this amount is
15 reasonable under the circumstances and in line with comparable settlements in other wage and hour
16 class actions in California. Additionally, the LWDA has been informed of the terms of the PAGA
17 portion of the settlement, and will be able to weigh in as necessary.

18 45. The settlement obviates the significant risk that this Court may find any kind of class
19 or representative resolution unachievable or deny certification of all or some of Plaintiff’s claims.
20 Furthermore, even if Plaintiff obtained certification of all or some of the claims, continued litigation
21 would be lengthy and expensive as the parties pursued merits discovery, a probable motion to
22 decertify, as well as trial and possible appeals, and would further and substantially delay any
23 recovery by the class with no assurance of recovering significantly more than the proposed
24 settlement. While Plaintiff is confident in the merits of these claims, legitimate controversies exist
25 regarding each one of them. Plaintiff also recognizes proving the amount of wages and penalties
26 due each Class Member would be an expensive, time-consuming, and uncertain proposition.

27 46. Thus, Plaintiff and I discounted the value of the class claims consistent with the
28 risks discussed above, and carefully weighed the likelihood of the class receiving substantially

greater benefit if the litigation continued. We concluded – in light of these very real and substantial risks – settlement on the proposed terms and without prolonged and costly litigation was in the best interests of the class. The overall \$500,000 recovery represents a significant percentage of Defendant’s potential exposure. Given Defendant’s multi-layered defenses and all other potential risks of continued litigation, a total recovery for the class of \$500,000, which will result in average award of at least \$317 per class member, plus additional sums under PAGA, is a significant result well within the range of reasonableness considering all potential outcomes, and it will provide direct monetary awards to all Class Members without further delay.

Provisional Class Certification Should be Granted

47. First, the class is both sufficiently numerous, consisting of approximately 766 individuals, and ascertainable by reference to Defendant’s personnel and payroll records.

48. Plaintiff’s claims are typical of the Class Members’ claims because they arise from the same factual basis and are based on the same legal theories applicable to the Class Members. Plaintiff further contends Defendant’s policies applied to all Class Members and each Class Member is challenging the same policies and practices. As such, the typicality requirement is satisfied for purposes of settlement. Further, Plaintiff has been and will continue to be committed to vigorously prosecuting this case, and she has no conflicts of interest with the Class, and is an adequate class representative.

49. Common questions of law and fact predominate – particularly for purposes of a settlement class – as the Class Members all were subject to the same meal and rest break policies and alleged “de facto” policies resulting in meal period violations, and similarly subject to the same improper time keeping policies that allegedly failed to accurately record and pay for all hours worked. Since the focus of the claims against Defendant concerns the legality of common policies applied uniformly to the entire class, common issues predominate over individualized inquiries concerning liability. For instance, Defendant’s meal and rest break policy is company-wide policy applied equally and consistently to all class members, and this policy is either compliant with California law or it is not. Regardless of that determination, it will decide liability for all class members one way or another.

1 50. Resolving this matter as a class action is superior to other available means for the
2 fair and efficient adjudication of this controversy for multiple reasons, including inter alia: (a)
3 individual joinder of all members of the class is impractical, (b) class action treatment will permit
4 a large number of similarly situated persons to resolve their common claims in a single forum
5 simultaneously, efficiently, and without unnecessary duplication of effort and expense; and (c)
6 the damages suffered by many of the individual class members are relatively small and the
7 expenses and burden of individual litigation would make it difficult or impossible for them to
8 seek redress on their own.

9 **Atticus Should be Appointed as the Settlement Administrator**

10 51. The Parties agreed to use Atticus as the Settlement Administrator in this matter.
11 (Agreement, § 8.1.) Atticus is highly qualified and experienced as a settlement administrator,
12 committed to the security of data (having experienced no data breaches at all), carries insurance for
13 the theft of money or data, and has no relationship with Counsel.

14 52. For all the foregoing reasons, I respectfully request that the Court preliminarily
15 approve the settlement in all particulars.

16 I declare under penalty of perjury under the laws of the State of California that the
17 foregoing is true and correct. Executed this 10th day of November 2025, at Berkeley, California.

18
19
20 

21 Declarant

Exhibit 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Rosa Alvarez (“Plaintiff”) and defendant Briteworks, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Rosa Alvarez v. Briteworks, Inc.*, Case No. 22STCV09093, initiated on November 4, 2022, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2 “Administrator” means Atticus Administration, LLC, 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 all current and former non-exempt hourly employees employed by Defendant in California during the PAGA Period.
- 1.5 “Class” means all current and former non-exempt hourly employees employed by Defendant in California during the Class Period.
- 1.6 “Class Counsel” means Zachary Crosner, Brandon Brouillette, and Chad Saunders of Crosner Legal, P.C.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean 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 Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks 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 current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.11 "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 "Class Period" means the period from November 4, 2018, to January 9, 2024.
- 1.13 "Class Representative" means the named Plaintiff in the operative complaint in the Action, Rosa Alvarez, seeking Court approval to serve as a Class Representative.
- 1.14 "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15 "Court" means the Superior Court of California, County of Los Angeles.
- 1.16 "Defendant" means named Defendant Briteworks, Inc.
- 1.17 "Defense Counsel" means Pettit Kohn Ingrassia Lutz & Dolin PC.
- 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 on 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 confirms the Judgment and issues a remittitur.
- 1.19 "Final Approval" or "Final Approval Order" 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" or "Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.
- 1.22 "Gross Settlement Amount" means \$500,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator's Expenses.
- 1.23 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

- 1.24 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25 "LWDA" means the California Labor and Workforce Development Agency.
- 1.26 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 "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.
- 1.29 "Operative Complaint" means the First Amended Complaint filed on April 28, 2023.
- 1.30 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31 "PAGA Period" means the period from April 28, 2022, to January 9, 2024.
- 1.32 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33 "PAGA Notice" means Plaintiff's March 4, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.34 "PAGA Penalties" means the total amount of PAGA civil penalties (\$50,000) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500) and the 75% to LWDA (\$37,500) in settlement of PAGA claims.
- 1.35 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 "Plaintiff" means Rosa Alvarez, the named plaintiff in the Action.
- 1.37 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.39 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means: Briteworks, Inc., and its former and present directors, officers, shareholders, owners, consultants, representatives, administrators, fiduciaries, benefit plans, agents, managing agents, attorneys, insurers, transferees, predecessors, successors, subsidiaries, affiliates, related entities, and assigns of any of the foregoing, both individually and in their business capacities, and their employee benefit plans and programs and that the trustees, administrators, fiduciaries and insurers of such plans and programs.
- 1.42 “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.
- 1.43 “Response Deadline” means 45 calendar days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax or mail Requests for Exclusion from the Settlement, or (b) fax 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.
- 1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On November 4, 2022, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for: 1) Recovery of Unpaid Minimum Wages and Liquidated Damages; 2) Recovery of Unpaid Overtime Wages; 3) Failure to Provide Meal Periods or Compensation in Lieu Thereof; 4) Failure to Provide Rest Periods or Compensation in Lieu Thereof, 5) Failure to Furnish Accurate Itemized Wage Statements; 6) Failure to Timely Pay All Wages Due Upon Separation of Employment; (7) Failure to Reimburse Business Expenses; and 8) Unfair Competition. On April 28, 2023, Plaintiff filed a First Amended Complaint adding a cause of action under PAGA seeking civil penalties against Defendant for Labor Code violations. Defendant denies the allegations in the Action, denies any failure to comply with the laws identified in in the Action and denies any and all liability for the causes of action alleged.
- 2.2 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

- 2.3 On January 9, 2024, the Parties participated in an all-day mediation presided over by Henry Bongiovi, Esq., which led, following further discovery and negotiations, to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiff obtained, through informal discovery, policy and procedure manuals relevant to the claims in the Action, a 20% sample of time and pay records for Class Members, and the number of Class Members and workweeks at issue. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.5 The Court has not granted class certification. Pursuant to the Parties' stipulations, the Court continued Plaintiff's deadline to file a motion for class certification so that the Parties could engage in mediation and discuss settlement.
- 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$500,000.00 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. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of 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 Defendant.
- 3.2 **Payments from the Gross Settlement Amount.** The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:
- 3.2.1 **To Plaintiff:** Class Representative Service Payment to the Class Representative of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the Final Approval motion, Plaintiff 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 Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement

Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third, which is currently estimated to be \$166,667 and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. As part of the Final Approval motion, Plaintiff and Class Counsel will request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. 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 Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$10,000 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 \$10,000, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (excluding any portion of the share of the PAGA Penalties) (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and non-wage statutory damages (excluding

any portion of the share of the PAGA Penalties) (the “Non-Wage Portion”). The Non-Wage Portions and PAGA Penalties are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$50,000 to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 **Class Workweeks and Aggrieved Employee Pay Periods.** Based on a review of its records to date, Defendant estimates there are 766 Class Members who collectively worked a total of 47,485 Workweeks as of January 9, 2024, and 447 Aggrieved Employees who worked a total 8,934 PAGA Pay Periods as of January 9, 2024.

4.2 **Class Data.** Not later than 15 calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other

purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant 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 Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3 **Funding of Gross Settlement Amount.** Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator as follows: no later than 30 calendar days after the Effective Date or January 1, 2026 (whichever is later), Defendant shall transmit the first half of the Gross Settlement Amount to the Administrator; and, no later than 120 calendar days after the Effective Date, Defendant shall transmit the second half of the Gross Settlement Amount and the full amount of Defendant's share of payroll taxes to the Administrator.
- 4.4 **Payments from the Gross Settlement Amount.** Within 14 calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1 The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed 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 send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must

update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.
- 4.4.3 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the remaining funds should be distributed cy pres to the Legal Aid Foundation of Los Angeles, a nonprofit whose mission is reasonably aligned with the interests of the Class.
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, and Class Members will release claims against all Released Parties as follows:

- 5.1 **Plaintiff's Release.** Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law

different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

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

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

- 5.2 Release by Participating Class Members:** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the Class Period, including California Labor Code Sections 201, 202, 203, 204, 210, 216, 221, 222, 223, 226, 226(a), 226.7, 245, 246, 247, 248, 248.5, 248.6, 227.3, 432.3, 432.5, 432.7, 510, 512, 515, 558, 558.1, 1024.5, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2800, 2801, 2801, 2802, 2810.5, California Industrial Commission Wage Orders, and Business and Professions Code sections 17200, et seq. including all claims for or related to alleged unpaid wages, overtime or double time wages, minimum wages, regular rate of pay, timely payment of wages, meal statements, unfair business practices. Participating Class Members' only release these claims for the duration of the Class Period. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. Counsel for Plaintiff will amend the operative complaint to align with the settlement release.
- 5.3 Release by Aggrieved Employees:** All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the PAGA Period including, without limitation, California Labor Code sections 201, 202, 203, 204 210, 216, 221, 222, 223, 226, 226(a), 226.7, 245,

246, 247, 248, 248.5, 248.6, 227.3, 432.3, 432.5, 432.7, 510, 512, 515, 558, 558.1, 1024.5, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2800, 2801, 2801, 2802, 2810.5, California Industrial Commission Wage Orders, including all PAGA claims for alleged unpaid wages, minimum wages, hours worked, overtime or double time wages, regular rate of pay, bonus and incentive pay, sick pay, timely payment of wages at separation, wage costs, as well as all other PAGA claims and allegations alleged in the Operative Complaint (“Released PAGA Claims”). Aggrieved Employees only release these claims for the duration of the PAGA Period. Aggrieved Employees may not opt out of Released PAGA Claims. Counsel for Plaintiff will amend the PAGA notice sent to the California Labor and Workforce Development Agency to align with the settlement release.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1 Defendant’s Declaration in Support of Preliminary Approval.** Within 21 calendar days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declaration, Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2 Plaintiff’s Responsibilities.** Plaintiff 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 proposed Order Granting Preliminary Approval; (iii) a draft 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) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, or the Administrator; (vi) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its 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)); (vii) a redlined version of

the Parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 **Responsibilities of Counsel.** Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 calendar 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. **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 to serve as the Administrator and verified that, as a condition of appointment, Atticus Administration, LLC 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, Workweeks, and Pay Periods in the Class Data.

- 8.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 8.4.3 Not later than 3 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 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 calendar days beyond the 45 calendar 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, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are 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, or mail, a signed written

Request for Exclusion not later than 45 calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar 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 or telephone number. To be valid, a Request for Exclusion must be timely faxed, 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' Release and Aggrieved Employee Release under Paragraphs 5.2 and 5.3 of this Agreement, regardless of 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 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

8.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have 45 calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and 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 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 Workweeks 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 Workweeks and/or 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 Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination 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 Payment.

8.7.2 Participating Class Members may send written objections to the Administrator, by fax, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 calendar days after the Administrator's mailing of the Class Notice (plus an additional 14 calendar 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 **Toll-Free Number.** The Administrator will maintain and monitor a toll-free telephone number to receive Class Member calls and faxes.

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 calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of

all Requests for Exclusion from Settlement submitted (whether valid or invalid).

- 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 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 8.8.4 **Workweek and/or 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 challenges over the calculation of Workweeks and/or 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 calendar days after the Response Deadline, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the total number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from the Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 8.8.6 **Final Report by Settlement Administrator.** Within 10 calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 calendar 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 AND ESCALATOR CLAUSE.

- 9.1 Based on its records, Defendant estimates there are 766 Class Members who collectively worked a total of 47,485 Workweeks as of January 9, 2024, and 447 Aggrieved Employees who worked a total 8,934 PAGA Pay Periods as of January 9, 2024.
- 9.2 The Gross Settlement Amount was agreed upon based on Defendant's representations of the total number of Workweeks in the Class Period. If the number of Workweeks during the Class Period exceeds 45,171.5 by more than ten percent (10%), Defendant has the election to either (a) cut off the Class Period at that point, or (b) the Gross Settlement Amount shall be increased on a pro rata basis per Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%).

10. DEFENDANT'S RIGHT TO WITHDRAW

If the number of valid Request for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but are not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw no later than 7 court days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

11. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that also includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel as soon as practicable 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 (5) 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 Participating Class Members 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 Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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 terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected 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, except as to matters that do not affect the amount of the Net Settlement Amount.

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 Participating Class Members 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 Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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.** 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 Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant'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, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the 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).
- 13.2 **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendant 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, advertise, market, publish, report, post, or promote to the public, or cause or permit another person to disclose, disseminate or publicize, advertise, market, publish, report, post, or promote to the public, any of the terms of the Agreement (or the negotiations leading to this 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) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) 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. Plaintiff, Class Counsel, Defendant 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.
- 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 Plaintiff and Defendant, 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 Plaintiff, Class Counsel, Defendant 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 Defendant 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 calendar 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, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant 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 third business day after mailing by United States mail, or the day sent by messenger, addressed as follows:

To Plaintiff:

Chad Saunders
chad@crosnerlegal.com
Brandon Brouillette
bbrouillette@crosnerlegal.com
Zachary Crosner
zach@crosnerlegal.com
CROSNER LEGAL, P.C.
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Defendant:

Shannon R. Finley

sfinley@pettitkohn.com

Michelle Guitard

MGuitard@pettitkohn.com

PETTIT KOHN INGRASSIA LUTZ & DOLIN PC

5901 W. Century Blvd., Suite 1100

Los Angeles, CA 90045

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.

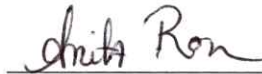
13.19 **Stay of Litigation.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring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

Dated: 09 / 16 / 2025



Plaintiff Rosa Alvarez-Camarena

Dated: 9/25/25



Anita Ron, President for
Defendant Briteworks, Inc.

Dated: 9/16/2025

CROSNER LEGAL, PC

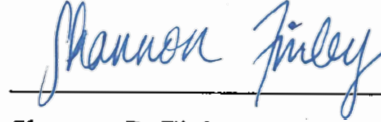


Chad Saunders, Esq.

Attorneys for Plaintiff and the Class

Dated: September 30, 2025

**PETTIT KOHN INGRASSIA
LUTZ & DOLIN PC**

A handwritten signature in blue ink, reading "Shannon Finley", is written over a horizontal line.

Shannon R. Finley, Esq.
Attorneys for Defendant

Exhibit 2

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Rosa Alvarez (“Plaintiff”) and defendant ~~“(XYZ)”~~ Briteworks, Inc. (“Defendant”). The Agreement refers to Plaintiff and ~~XYZ~~ Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against ~~XYZ~~ Defendant captioned Rosa Alvarez v. Briteworks, Inc., Case No.
 22STCV09093, initiated on November 4, 2022, and pending in ~~the~~ Superior Court of the
State of California, County of Los Angeles.
- 1.2 “Administrator” means Atticus Administration, LLC, 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 ~~[e.g., a person]~~ all current and former non-exempt hourly employees employed by ~~XYZ~~ Defendant in California ~~and classified as a who worked for XYZ~~
during the PAGA Period~~].~~.
- ~~1.5~~ “Class” means ~~[define class, e.g., all persons]~~ all current and former non-exempt hourly employees employed by ~~XYZ~~ Defendant in California ~~and classified as~~
~~1.5~~ ~~who worked for XYZ~~ during the Class Period~~].~~.
- 1.6 “Class Counsel” means Zachary Crosner, Brandon Brouillette, and Chad Saunders of Crosner Legal, P.C.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean 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 ~~XYZ’s~~Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks 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 current Class Member ~~or Aggrieved Employee~~ mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members ~~or Aggrieved Employees~~.
- ~~1.11~~ ———“Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
- 1.11 mailed to Class Members in English ~~[with a Spanish translation, if applicable]~~ 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 ~~November 4, 2018,~~ to January 9, 2024.
- 1.13 “Class Representative” means the named Plaintiff in the operative complaint in the Action, Rosa Alvarez, seeking Court approval to serve as a ~~class representative~~Class Representative.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15 “Court” means the Superior Court of California, County of Los Angeles.
- 1.16 ~~“XYZ”~~“Defendant” means named Defendant ~~—~~Briteworks, Inc.
- 1.17 “Defense Counsel” means Pettit Kohn Ingrassia Lutz & Dolin PC.
- 1.18 “Effective Date” means the date ~~on which the Judgment becomes final. The Judgment is final as of the latest by when both~~ of the following ~~occurrences have occurred:~~ (a) ~~if no Participating Class Member objects to the Settlement, the day~~ the Court enters a Judgment; ~~(b) if one or more Participating Class Members objects to~~ on its Order Granting Final Approval of the Settlement; ~~and (b) the Judgment is final. The Judgment is final on~~ the day after the deadline for filing a notice of appeal from the Judgment; or ~~(c) if a timely appeal from the Judgment~~Judgement is filed, the day after the appellate court ~~affirms~~confirms the Judgment and issues a remittitur.

- 1.19 “Final Approval” or “Final Approval Order” means the Court’s ~~order granting final approval~~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~~ 1.21 “Final Judgment” or “Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.
- ~~1.21~~1.22 “Gross Settlement Amount” means \$~~500,000.00~~ which is the total amount ~~XYZ~~Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and ~~Administration~~the Administrator’s Expenses ~~Payment~~.
- ~~1.22~~1.23 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- ~~1.23~~1.24 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share ~~of~~ 25%/35%]~~0%~~ of the PAGA Penalties calculated according to the number of ~~PAGA Pay Periods~~Workweeks worked during the PAGA Period~~].~~
- ~~1.24~~ “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.25 “LWDA” means the California Labor and Workforce Development Agency.
- 1.26 “LWDA PAGA Payment” means the ~~75%/65%]~~0% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, ~~subdivisions~~subd. (i).
- 1.27 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 “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.
- 1.29 “Operative Complaint” means the First Amended Complaint filed on April 28, 2023.

~~1.29~~1.30 “PAGA Pay Period” means any ~~pay period~~Pay Period during which an Aggrieved Employee worked for ~~XYZ~~Defendant for at least one day during the PAGA Period.

~~1.30~~1.31 “PAGA Period” means the period from ~~_____~~April 28, 2022, to ~~_____~~January 9, 2024.

~~1.31~~1.32 “PAGA” means the Private Attorneys General Act (~~Lab. Labor~~Code, ~~§§~~§§ 2698, et seq.).

~~1.32~~1.33 “PAGA Notice” means Plaintiff’s ~~_____~~March 4, 2022 letter to ~~XYZ~~Defendant and the LWDA ~~{and Plaintiff’s _____ letter to XYZ and the LWDA}~~ providing notice pursuant to Labor Code section 2699.3, ~~subdivisions~~subd. (a).

~~1.33~~1.34 “PAGA Penalties” means the total amount of PAGA civil penalties ~~(_____) (\$50,000)~~ to be paid from the Gross Settlement Amount, allocated ~~{25%/35%}~~25% to the Aggrieved Employees ~~(_____) (\$12,500)~~ and ~~{75%/65%}~~75% to the LWDA ~~(_____) (\$37,500)~~ in settlement of PAGA claims.

~~1.34~~1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

~~1.35~~1.36 “Plaintiff” means ~~_____~~Rosa Alvarez, the named plaintiff in the Action.

~~1.36~~1.37 “Preliminary Approval” means the Court’s ~~order granting preliminary approval~~Order Granting Preliminary Approval of the Settlement.

~~1.38~~ "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.

~~1.37~~1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

~~1.38~~1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

~~1.39~~1.41 “Released Parties” means ~~XYZ: Briteworks, Inc., and each of~~ its former and present ~~{directors,} {,} officers,} {,} shareholders,} {,} owners,} {members,} {,} consultants, representatives, administrators, fiduciaries, benefit plans, agents, managing agents, attorneys,} {,} insurers,} {,} transferees, predecessors,} {,} successors,} {assigns,} {,} subsidiaries,} {,} affiliates, related entities, and assigns of any of the foregoing, both individually and in their business capacities, and their employee benefit plans and programs and that the trustees, administrators, fiduciaries and insurers of such plans and programs.~~

~~1.401.42~~ “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.

~~1.411.43~~ “Response Deadline” means ~~[e.g., 60]~~45 calendar days after the Administrator mails ~~the Class~~ Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, ~~email~~ or mail Requests for Exclusion, ~~from the Settlement, or~~ (b) fax, ~~email~~ or mail ~~objections~~his or her Objection to the Settlement, ~~or (c) fax, email or mail a challenge to the number of Workweeks allocated to the Class Member in the Class Notice.~~ Class Members to whom ~~Class Notices~~Notice Packets are resent after having been returned undeliverable to the Administrator shall have ~~their deadline extended~~ an additional ~~[14]~~ calendar days beyond the Response Deadline has expired.

~~1.421.44~~ “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

~~1.431.45~~ “Workweek” means any week during which a Class Member worked for ~~XYZ~~Defendant for at least one day, during the Class Period.[#]

2. RECITALS.

~~2.1~~ On ~~November 4, 2022~~, Plaintiff commenced this Action by filing a ~~complaint~~Complaint alleging causes of action against ~~XYZ~~Defendant for ~~_____~~ {: 1) Recovery of Unpaid Minimum Wages and Liquidated Damages; 2) Recovery of Unpaid Overtime Wages; 3) Failure to Provide Meal Periods or Compensation in Lieu Thereof; 4) Failure to Provide Rest Periods or Compensation in Lieu Thereof, 5) Failure to Furnish Accurate Itemized Wage Statements; 6) Failure to Timely Pay All Wages Due Upon Separation of Employment; (7) Failure to Reimburse Business Expenses; and 8) Unfair Competition. On April 28, 2023, Plaintiff filed a [e.g., First Amended Complaint] ~~alleging causes~~ adding a cause of action under PAGA seeking civil penalties against XYZDefendant for _____. The ~~[e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative Complaint”).~~ XYZ Labor Code violations. Defendant denies the allegations in

~~2.1~~ the ~~Operative Complaint~~Action, denies any failure to comply with the laws identified in in the ~~Operative Complaint~~Action and denies any and all liability for the causes of action alleged.

2.2 _____ Pursuant to Labor Code section 2699.3, ~~subdivision~~subd. (a), Plaintiff gave timely written notice to ~~XYZ~~Defendant and the LWDA by sending the PAGA Notice.

2.3 _____ On _____ January 9, 2024, the Parties participated in an all-day mediation presided over by _____ Henry Bongiovi, Esq., which led, following further

discovery and negotiations, to this Agreement ~~[or describe alternative means of negotiation]~~ to settle the Action.

2.4 ~~Before [Prior to mediation] [negotiating the Settlement],~~ Plaintiff obtained, through ~~[formal] [informal] discovery, (documents, testimony and information obtained)~~ discovery, policy and procedure manuals relevant to the claims in the Action, a 20% sample of time and pay records for Class Members, and the number of Class Members and workweeks at issue. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5 ~~The Court ~~[has]~~ [has not]~~ granted class certification.

2.5 ~~(list case names, case numbers, jurisdictions)~~ Pursuant to the Parties' stipulations, the Court continued Plaintiff's deadline to file a motion for class certification so that the Parties could engage in mediation and discuss settlement.

2.6 ~~The Parties, Class Counsel and Defense Counsel represent ~~[that]~~ they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement; [they are aware of the following other pending matter[s] or action[s] asserting claims that will be extinguished or affected by the Settlement:]~~

~~(list case names, case numbers, and jurisdictions)~~

~~;~~

3. MONETARY TERMS.

3.1 ~~_____~~ **Gross Settlement Amount.** ~~XYZ~~ Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$ ~~500,000.00~~ and no more as the Gross Settlement Amount ~~{and to separately pay any and all employer payroll taxes owed on the Wage Portions (as defined below) of the Individual Class Payments.}~~ ~~XYZ.~~ Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) ~~before~~ prior to the deadline stated in Paragraph 4.2. ~~#3 of 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 ~~XYZ~~ Defendant.

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

3.2.1 ~~_____~~ **To Plaintiff:** Class Representative Service Payment to the Class Representative of not more than

\$ ~~_____~~ \$10,000 (in addition to any Individual Class Payment ~~{and any Individual PAGA Payment}~~ the Class Representative is entitled to receive as a Participating Class Member). ~~XYZ~~ Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the ~~Motion for~~ Final Approval motion, Plaintiff will seek Court approval for any Class Representative Service ~~Payment.~~ Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount

3.2.1 requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more than ~~_____~~ %one-third, which is currently estimated to be \$ ~~166,667~~ and a Class Counsel Litigation Expenses Payment of not more than \$ ~~_____~~ XYZ20,000. Defendant will not oppose requests for these payments provided ~~they~~ that do not exceed these amounts. As part of the ~~Motion for~~ Final Approval motion, Plaintiff and ~~/or~~ Class Counsel ~~may seek Court will request~~ approval of ~~at the~~ Class Counsel Fees Payment and Class ~~Counsel~~ Litigation Expenses Payment. ~~In support of the Class Counsel Litigation Expenses Payment, Class Counsel must submit a cost ledger listing each expense incurred during the Action.~~ If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the ~~amount~~ amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any

other Plaintiff's Counsel arising from any claim to any portion ~~of~~ any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel ~~Litigation~~ 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 ~~XYZ~~Defendant harmless, and indemnifies ~~XYZ~~Defendant, from any dispute or controversy regarding any division or sharing of any of these ~~payments~~Payments.

~~3.2.3~~ 3.2.3 ~~_____~~ To the Administrator: An ~~Administration~~Administrator Expenses Payment not to exceed

3.2.3 ~~\$_____~~ \$10,000 except for a showing of good cause and as approved by the Court. To the extent the ~~administration expenses~~Administration Expenses are less ~~than~~, or the Court approves payment less than ~~\$10,000~~, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 **Tax Allocation of Individual Class Payments.** ~~_____~~ 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (~~excluding any portion of the share of the PAGA Penalties~~) (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The ~~_____~~ remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for ~~{e.g., interest and penalties}~~ non-wage statutory damages (excluding any portion of the share of the PAGA Penalties) (the "Non-Wage Portion").^{iv} The Non-Wage Portions and PAGA Penalties are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$~~_____~~ _____ ~~50,000~~ to be paid from the Gross Settlement Amount, with ~~{75%/65%}~~ { \$_____

% (\$37,500) allocated to the LWDA PAGA Payment and ~~[25%/35%]~~ (\$ % (\$12,500) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' ~~[25%/35%]~~% share of PAGA Penalties (\$ 12,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

~~4.1 Class Size Estimates, Workweeks and Aggrieved Employee Pay Periods.~~ Based on a review of its records to date, ~~XYZ~~Defendant estimates there are 766 Class Members who collectively worked a total of 47,485 Workweeks as of January 9, 2024, and 447 Aggrieved Employees who worked a total

~~4.1~~ of 8,934 PAGA Pay Periods,* as of January 9, 2024.

~~4.2~~ Class Data. Not later than 15 calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant 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 Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

~~4.24.3~~ **Funding of Gross Settlement Amount.** ~~XYZ~~Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay ~~XYZ's~~Defendant's share of payroll taxes, by transmitting the funds to the Administrator as follows: no later than ~~[44]~~30 calendar days after the Effective Date or January 1, 2026 (whichever is later), Defendant shall transmit the first half of the Gross Settlement Amount to the Administrator; and, no later than 120 calendar days after the Effective Date, Defendant shall transmit the second half of the Gross Settlement Amount and the full amount of Defendant's share of payroll taxes to the Administrator.

4.34.4 ——— Payments from the Gross Settlement Amount. Within ~~{14}~~ calendar days after ~~XYZ~~ Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.3.1 ——— The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Class Members and Aggrieved

4.4.1 Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed 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 send Participating Class Members ~~who are also Aggrieved Employees~~ a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.24.4.2 The Administrator must conduct ~~ana~~ Class Member Address Search for all other Participating Class Members and Aggrieved Employees whose checks are ~~returned~~ returned undelivered without ~~a United States Postal Service (“USPS”)~~ forwarding address. Within ~~{7}~~ calendar days of receiving a returned check the Administrator must re-mail ~~the check~~ checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members ~~or~~ and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, ~~as~~ requested by the Participating Class Member and/or Aggrieved Employee ~~before~~ prior to the void date.

4.3.3 ——— For any Participating Class Member ~~whose Individual Class Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such a check [to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) (“Cy Pres Recipient”)] [to the California Controller’s Unclaimed Property Fund in the name of the Class Member]. [The Parties, Class Counsel and~~

~~Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient].~~

~~4.3.44.4.3 For any/or~~ Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the ~~Administrator shall transmit the funds represented by such check to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b), remaining funds should be distributed cy pres to the Legal Aid Foundation of Los Angeles, a nonprofit whose mission is reasonably aligned with the interests of the Class.~~

~~4.3.54.4.4~~ The payment of Individual Class Payments and Individual PAGA Payments shall not obligate ~~XYZ~~Defendant to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when ~~XYZ~~Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, and Class Members will release claims against all Released Parties as follows:

~~Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:~~

~~5.1~~ **Plaintiff's Release.** Plaintiff and ~~Plaintiff's~~her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~that occurred during the Class Period~~, including, but not limited to:

~~5.1~~ (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint ~~and Plaintiff's PAGA Notice. ("Plaintiff's Release.")~~. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, ~~or~~ workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.^{vi}

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

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

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

5.2 Release by Participating Class Members:

5.2 All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts ~~and allegations stated~~ in the Operative Complaint ~~that are alleged to have occurred~~ during the Class Period ~~-, including, e.g., “(California Labor Code Sections 201, 202, 203, 204, 210, 216, 221, 222, 223, 226, 226(a) any and all claims involving any alleged failure to pay), 226.7, 245, 246, 247, 248, 248.5, 248.6, 227.3, 432.3, 432.5, 432.7, 510, 512, 515, 558, 558.1, 1024.5, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2800, 2801, 2801, 2802, 2810.5, California Industrial Commission Wage Orders, and Business and Professions Code sections 17200, et seq. including all claims for or related to alleged unpaid wages, overtime or double time wages, minimum wage; etc.)-wages, regular rate of pay, timely payment of wages, meal statements, unfair business practices. Participating Class Members’ only release these claims for the duration of the Class Period.~~ Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, ~~or~~ workers’ compensation, or claims based on events facts occurring outside the Class Period. Counsel for Plaintiff will amend the operative complaint to align with the settlement release.

5.3 Release by Aggrieved Employees:

5.3 All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties penalties that were alleged, or reasonably could have been alleged, based on the facts ~~and allegations stated~~ in the Operative Complaint ~~that are alleged to have occurred~~ during the PAGA Period

5.3 ~~and the PAGA Notice~~ including, e.g., “(without limitation, California Labor Code sections 201, 202, 203, 204 210, 216, 221, 222, 223, 226, 226(a) ~~any and~~), 226.7, 245, 246, 247, 248, 248.5, 248.6, 227.3, 432.3, 432.5, 432.7, 510, 512, 515, 558, 558.1, 1024.5, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2800, 2801, 2801, 2802, 2810.5, California Industrial Commission Wage Orders, including all PAGA claims ~~involving any for~~ alleged ~~failure to pay~~ unpaid wages, minimum wages, hours worked, overtime or double time wages, regular rate of pay, bonus and incentive pay, sick pay, timely payment of wages at separation, ~~wage, etc.~~ costs, as well as all other PAGA claims and allegations alleged in the Operative Complaint (“Released PAGA Claims”) . Aggrieved Employees only release these claims for the duration of the PAGA Period. Aggrieved Employees may not opt out of Released PAGA Claims. Counsel for Plaintiff will amend the PAGA notice sent to the California Labor and Workforce Development Agency to align with the settlement release.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1 ~~_____ XYZ’s Defendant’s~~ **Declaration in Support of Preliminary Approval.** Within ~~_____21~~ calendar days of the full execution of this Agreement, ~~XYZ Defendant~~ will prepare and deliver to Class Counsel a signed ~~declaration~~ Declaration from ~~XYZ Defendant~~ and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator ~~and Cy Pres Recipient (if applicable).~~ In their ~~declarations, Defense Counsel and XYZ Declaration,~~ Defendant shall aver ~~whether that~~ they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 ~~_____~~ **Plaintiff’s Responsibilities.** Plaintiff 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~~ Section 2699, ~~subdivisionsubd.~~ (f)(2~~);~~); (ii) a draft proposed Order Granting Preliminary Approval ~~and Approval of PAGA Settlement~~; (iii) a draft 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/or the proposed Cy Pres Recipient};~~ and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff 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 ~~{and/or the proposed Cy Pres Recipient};~~; (vi) a signed declaration from ~~each~~ Class Counsel ~~firm~~ attesting to its competency to represent the Class Members; ~~and~~ its timely transmission to the LWDA of all necessary PAGA documents (~~PAGA Notice~~ ~~(Lab. initial notice of violations (Labor~~ Code, ~~§ section~~ 2699.3, subd. (a)), Operative Complaint (~~Lab. Labor~~ Code, ~~§~~

section 2699, subd. (l)(1)), ~~and the~~this Agreement (~~Lab. Labor~~ Code, ~~§~~ section 2699, subd. (l)(2)); (vii) a redlined version of the Parties' Agreement showing all modifications made to the ~~Los Angeles Superior Court's~~ Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator ~~and/or the Cy Pres Recipient~~. In their ~~declarations~~Declarations, Plaintiff and Class Counsel Declaration shall aver ~~whether that~~ they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~6.3~~ 6.3 ~~Responsibilities of Counsel~~. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than ~~{30}~~ calendar 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

6.3 advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

~~6.47.~~ 6.47. ~~Duty to Cooperate~~. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

~~7.8.~~ 7.8. SETTLEMENT ADMINISTRATION.

~~7.1~~ 7.1 ~~Selection of Administrator~~. The Parties have jointly selected _____ to serve as the Administrator and verified that, as a condition of appointment,

8.1 ~~Atticus Administration, LLC~~ agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for ~~the payment of~~ Administration Expenses ~~Payment~~. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

~~7.28.2~~ 7.28.2 ~~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.

~~7.38.3~~ 7.38.3 ~~Qualified Settlement Fund~~. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.48.4 Notice to Class Members.

~~7.4.18.4.1~~ _____ ~~Not later than [e.g., 15] days after the Court grants Preliminary Approval, XYZ will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to effect and perform under this Agreement. XYZ 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 XYZ 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.~~ 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, Workweeks, and Pay Periods in the Class Data.

~~Members, Aggrieved Employees, Workweeks and PAGA Pay Periods in the Class Data.~~

~~7.4.28.4.2~~ _____ Using best efforts to perform as soon as possible, and in no event later than ~~{14}~~ calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice ~~{with Spanish translation, if applicable}~~ 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 ~~(if applicable)~~ payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

~~7.4.38.4.3~~ _____ Not later than ~~{3}~~ 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.

~~7.4.48.4.4~~ _____ The ~~deadline~~deadlines for Class Members' written objections, ~~challenges~~Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended ~~for Class Members whose notices are re-mailed. Class Members to whom~~

~~Class Notices are resent after having been returned undeliverable to the Administrator shall have their deadline extended~~ an additional ~~{14}~~ calendar days beyond the ~~Response Deadline.~~ 45 calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

~~7.4.58.4.5~~ ——— If the Administrator, ~~XYZ~~Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via ~~email~~ or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~{14}~~ calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

~~7.5~~8.5 Requests for Exclusion (Opt-Outs).

~~7.5.1~~ ——— Class Members who wish to exclude themselves ~~from~~ (opt-out of) the Class Settlement must send the Administrator, by fax, ~~email~~, or mail, a signed written Request for Exclusion not later than ~~the Response Deadline.~~ 45 calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed). A Request

~~8.5.1~~ for Exclusion is a letter from a Class Member or ~~the Class Member's~~ his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and ~~email address~~ or telephone number. To be valid, a Request for Exclusion must be timely faxed, ~~emailed~~, or postmarked by the Response Deadline.

~~7.5.28.5.2~~ ——— 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.

~~7.5.38.5.3~~ ——— Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to

all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Release and Aggrieved Employee Release under ~~Paragraph~~Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~7.5.48.5.4~~ 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 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

~~5.3 of this Agreement and are eligible for an Individual PAGA Payment.~~

~~7.68.6~~ 7.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have ~~until~~45 calendar days after the ~~Response Deadline~~Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and 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. ~~The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges to the number of Workweeks.~~ In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct ~~if so long as~~ they are consistent with the Class Data. The Administrator's determination of ~~allocation~~each Class Member's allocation of Workweeks ~~is~~and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide ~~to Defense Counsel and Class Counsel~~ copies of all challenges to calculation of Workweeks and ~~or Pay Periods to Defense Counsel and Class Counsel and~~ the Administrator's determination ~~of~~ the challenges.

~~7.78.7~~ 7.7 **Objections to Settlement.**

~~7.7.18.7.1~~ 7.7.1 **Objections to Settlement.** 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 ~~the~~or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, ~~Administration Expenses Payment,~~ and ~~or~~ Class Representative Service Payment.

~~7.7.28.7.2~~ 7.7.2 **Objections to Settlement.** Participating Class Members may send written objections to the Administrator, by fax, ~~email~~ or mail ~~no later than. In~~ the ~~Response Deadline.~~alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present ~~oral objections at the Final Approval Hearing.~~verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to

the Administrator must do so not later than 45 calendar days after the Administrator's mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notice was re-mailed).

~~7.7.38.7.3~~ ——— ~~Non-Participating Class Members have no right to object to any of the class action components of the Settlement.~~

~~7.88.8~~ ——— **Administrator Duties.** The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator ~~set forth~~contained in this Agreement or otherwise.

~~7.8.18.8.1~~ ——— ~~Website, Email Address and Toll-Free Number.~~ The Administrator will ~~establish, maintain, and use a website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, 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, and ~~faxes and emails.~~

~~7.8.28.8.2~~ ——— **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}~~ calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; ~~and~~ (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

~~7.8.38.8.3~~ ——— **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 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

~~assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.~~

~~8.8.4~~ ——— **Workweek and/or 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 challenges over the calculation of Workweeks and/or Pay Periods. The

Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

~~7.8.48.8.5~~ **Administrator's Declaration.** Not later than ~~{14} calendar~~ days ~~before the date~~ by which Plaintiff is required to file the Motion for Final Approval of the ~~Settlement~~Response Deadline, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the total number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from the Settlement it received (both valid or invalid), ~~and~~ and the number of written objections. ~~The declaration shall~~ and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

~~7.8.58.8.6~~ **Final Report by Settlement Administrator.** Within ~~{10} calendar~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least ~~{15} calendar~~ 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~~Administrator's declaration in Court.

9. XYZ'S CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.

9.1 Based on its records, Defendant estimates there are 766 Class Members who collectively worked a total of 47,485 Workweeks as of January 9, 2024, and 447 Aggrieved Employees who worked a total 8,934 PAGA Pay Periods as of January 9, 2024.

9.2 The Gross Settlement Amount was agreed upon based on Defendant's representations of the total number of Workweeks in the Class Period. If the number of Workweeks during the Class Period exceeds 45,171.5 by more than ten percent (10%), Defendant has the election to either (a) cut off the Class Period at that point, or (b) the Gross Settlement Amount shall be increased on a pro rata basis per Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%).

10. DEFENDANT'S RIGHT TO WITHDRAW.

8. If the number of valid ~~Requests~~Request for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, ~~XYZ~~Defendant may, but ~~is~~are not obligated, elect to withdraw from the Settlement. The Parties agree that, if ~~XYZ~~Defendant withdraws, the Settlement shall be void ab

initio~~and~~, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, XYZDefendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZDefendant must notify Class Counsel and the Court of its election to withdraw ~~notno~~ later than ~~{seven}~~7 court days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9.11. MOTION FOR FINAL APPROVAL. Not later than ~~{16}~~ court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that also includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivisionsubd. (l), a ~~proposed~~Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel ~~not later than {seven} days before~~as soon as practicable 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.

9.11.1 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 ~~that~~ ~~{than five}~~ (5) court days ~~before~~prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.211.2 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 Participating Class Members 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 Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or AdministrationAdministrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.311.3 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.

9.411.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected 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, except as to matters that do not affect the amount of the Net Settlement Amount.

~~9.5~~11.5 ~~Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.~~ If the ~~appellate court~~reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Participating Class Members 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~~Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

~~10.12.~~ **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.

~~11.13.~~ **ADDITIONAL PROVISIONS:**

~~11.1~~13.1 ~~No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes.~~ This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by ~~XYZ~~Defendant that any of the allegations in the Operative Complaint have merit or that ~~XYZ~~Defendant has any liability for any claims asserted; nor ~~is~~should it ~~be~~ intended or ~~should be~~ construed as an admission by Plaintiff that ~~XYZ's~~Defendant'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 ~~not~~ grant Preliminary Approval, ~~grant~~ Final Approval, or enter Judgment, ~~XYZ~~Defendant reserves the right to contest certification of any class for any ~~reason, XYZ reasons, and Defendant~~ reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest ~~XYZ's~~Defendant's defenses. The Settlement, this Agreement, and the 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).

~~11.2~~13.2 ~~Confidentiality Before~~Prior to Preliminary Approval. Plaintiff, Class Counsel, ~~XYZ~~Defendant 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, advertise, market, publish, report, post, or promote to the public, or cause or permit another person to disclose, disseminate or publicize, advertise, market, publish, report, post, or promote to the public, any of the terms of the Agreement (or the negotiations leading to this

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~~ counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) 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. Plaintiff, Class Counsel, ~~XYZ~~Defendant 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 ~~any~~ 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.

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

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

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

11.613.6 ——— **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 ~~and~~, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.713.7 ——— **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 ~~any~~and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

~~11.8~~13.8 ~~_____~~ **No Tax Advice.** Neither Plaintiff, Class Counsel, ~~XYZ~~Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

~~11.9~~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.

~~11.10~~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.

~~11.11~~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~~state of California, without regard to conflict of law principles.

~~11.12~~13.12 ~~_____~~ **Cooperation in Drafting.** The Parties have cooperated in the drafting and ~~preparing~~preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

~~11.13~~13.13 ~~_____~~ **Confidentiality.** To the extent permitted by law, all agreements made, and orders entered during~~the~~ Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

~~11.14~~13.14 ~~_____~~ **Use and Return of Class Data.** Information provided to Class Counsel pursuant to ~~Evidence~~Cal. Evid. Code ~~section-~~§ 1152, and all copies and summaries of the Class Data provided to Class Counsel by ~~XYZ~~Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and~~for~~ no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or ~~the California Rules~~rule of ~~Court~~court. Not later than 90 calendar days after the date when the Court discharges the Administrator's obligation to provide a ~~declaration~~Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from ~~XYZ~~Defendant unless, ~~before~~prior to the Court's discharge of the Administrator's obligation, ~~XYZ~~Defendant makes a written request to Class Counsel for the return, rather than the ~~destruction~~destructions, of Class Data.

~~11.15~~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.

~~11.16~~13.16 **Calendar Days.** Unless otherwise noted, all ~~references~~reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~11.17~~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 third business day after mailing by United States mail, or the day sent by ~~email or~~ messenger, addressed as follows:

To Plaintiff:

Chad Saunders
chad@crosnerlegal.com
Brandon Brouillette
bbrouillette@crosnerlegal.com
Zachary Crosner
zach@crosnerlegal.com
CROSNER LEGAL, P.C.
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To ~~XYZ~~Defendant:

Shannon R. Finley
sfinley@pettitkohn.com
Michelle Guitard
MGuitard@pettitkohn.com
PETTIT KOHN INGRASSIA LUTZ & DOLIN PC
5901 W. Century Blvd., Suite 1100
Los Angeles, CA 90045

~~11.18~~13.18 **Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. ~~7.~~ 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.

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

† _____ (case name and number) _____ †

~~The Superior Court for the State of California authorized this Notice. Read it carefully!~~

~~It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.~~

~~You may be eligible to receive money~~ from an employee class action lawsuit (“Action”) against _____ [abbreviate name; “XYZ” is used herein as a placeholder] for alleged wage and hour violations. The Action was filed by a [former] XYZ employee _____ (“Plaintiff”) and seeks payment of (1) back wages [and other relief] for a class of [e.g., hourly] employees (“Class Members”) who worked for XYZ during the Class Period _____ to _____; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all [e.g., hourly] employees who worked for XYZ during the PAGA Period (_____ to _____) (“Aggrieved Employees”).

The proposed settlement has two main parts: (1) a class settlement requiring XYZ to fund individual class payments, and (2) a PAGA settlement requiring XYZ to fund individual PAGA payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on XYZ’s records, and the parties’ current assumptions, **~~your individual class payment is estimated to be \$ _____ (less withholding) and your individual PAGA payment is estimated to be \$ _____.~~** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your individual PAGA payment, then according to XYZ’s records you are not eligible for an individual PAGA payment under the settlement because you didn’t work during the PAGA Period.)

The above estimates are based on XYZ’s records showing that **~~you worked _____ workweeks~~** during the Class Period and **~~you worked _____ workweeks~~** during the PAGA Period. If you believe that you worked more workweeks during the Class Period, you can submit a challenge by the deadline date. See Section IV of this Notice.

The Court has already preliminarily approved the proposed settlement and approved this notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the final approval hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires XYZ to make payments under the settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZ.

If you worked for XYZ during the Class Period and/or the PAGA Period, you have two basic options under the settlement:

~~(1) **Do Nothing.** You don't have to do anything to participate in the proposed settlement and be eligible for an individual class payment and/or an individual PAGA payment. As a participating class member, though, you will give up your right to assert Class Period wage claims against XYZ.~~

~~(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written request for exclusion or otherwise notifying the Administrator in writing. If you opt-out of the settlement, you will not receive an individual class payment. You will, however, preserve your right to personally pursue Class Period wage claims against XYZ, and, if you are an Aggrieved Employee, remain eligible for an individual PAGA payment. You cannot opt-out of the PAGA portion of the proposed settlement.~~

~~**XYZ will not retaliate against you for any actions you take with respect to the proposed settlement.**~~

~~**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**~~

~~You Don't Have to Do Anything to Participate in the Settlement~~	~~If you do nothing, you will be a Participating Class Member, eligible for an individual class payment and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against XYZ that are covered by this settlement ("Released Claims").~~
~~You Can Opt-out of the Class Settlement but not the PAGA Settlement~~ ~~The Opt-out Deadline is _____~~	~~If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this notice.~~ ~~You cannot opt-out of the PAGA portion of the proposed settlement. XYZ must pay individual PAGA payments to all Aggrieved Employees, and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).~~

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed settlement. The Court’s decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this notice.
You Can Participate in the _____ Final Approval Hearing	The Court’s final approval hearing is scheduled to take place on _____. 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. See Section VIII of this notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your individual class payment and individual PAGA payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to XYZ’s records is stated on the first page of this notice. If you disagree with the number of Class Period workweeks, you must challenge it by _____. See Section IV of this notice.

~~I. WHAT IS THE ACTION ABOUT?~~

Plaintiff is a [former] XYZ employee. The Action accuses XYZ of violating California labor laws by failing to pay [e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses] and failing to provide [e.g., meal periods, rest breaks and accurate itemized wage statements]. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.). Plaintiff is represented by attorneys in the Action: _____.

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

~~II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?~~

So far the Court has made no determination whether XYZ or Plaintiff is correct on the merits. In the meantime, Plaintiff and XYZ hired [an experienced, neutral mediator/a retired judge/ (describe alternative means of negotiation)] in an effort to resolve the Action by negotiating an agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement and agreeing to ask the Court to enter a judgment ending the Action, Plaintiff and XYZ have negotiated a

proposed settlement that is subject to the Court's final approval. Both sides agree the proposed settlement is a compromise of disputed claims. By agreeing to settle, XYZ does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the settlement is a good deal for you because they believe that: (1) XYZ has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine final approval.

III. ~~WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?~~

1. ~~XYZ Will Pay \$_____ as the Gross Settlement Amount ("Gross Settlement"). XYZ has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the settlement. The Administrator will use the Gross Settlement to pay the individual class payments, individual PAGA payments, a class representative service payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the LWDA. Assuming the Court grants final approval, XYZ will fund the Gross Settlement not more than [14] days after the judgment entered by the Court becomes final. The judgment will be final on the date the Court enters judgment, or a later date if Participating Class Members object to the proposed settlement or the judgment is appealed.~~
2. ~~Court Approved Deductions from Gross Settlement. At the final approval hearing, Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court:~~
 - A. ~~Up to \$_____ [_____ % of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$_____ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.~~
 - B. ~~Up to \$_____ to Plaintiff as a class representative award for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiff will receive other than Plaintiff's individual class payment and any individual PAGA payment.~~
 - C. ~~Up to \$_____ to the Administrator for services administering the settlement.~~
 - D. ~~Up to \$_____ for PAGA penalties, allocated [75%/65%] to the LWDA and [25%/35%] to individual PAGA payments to Aggrieved Employees based on their pay periods during the PAGA Period.~~

~~Participating Class Members have the right to object to any of these deductions except the PAGA penalties. The Court will consider all objections.~~

3. ~~Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making individual class payments to~~

~~Participating Class Members based on their Class Period workweeks.~~

4. ~~Taxes Owed on Payments to Class Members. Plaintiff and XYZ are asking the Court to approve an allocation of _____ % of each individual class payment to taxable wages ("Wage Portion") and _____ % to [e.g., interest, etc.] ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. [Option 1: (XYZ will separately pay employer payroll taxes it owes on the Wage Portion.)] The individual PAGA payments are counted as penalties rather than wages for tax purposes. The Administrator will report the individual PAGA payments and the Non-Wage Portions of the individual class payments on IRS 1099 Forms.~~

~~Although Plaintiff and XYZ have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed settlement.~~

5. ~~Need to Promptly Cash Payment Checks. The front of every check issued for individual class payments and individual PAGA payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies [will be deposited with the California Controller's Unclaimed Property Fund in your name] [will irrevocably be lost to you because they will be paid to a non-profit organization or foundation].~~

~~[If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the fund for instructions on how to retrieve your money.]~~

6. ~~Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the class settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed request for exclusion by the _____ response deadline. The request for exclusion should be a letter from the Class Member or Class Member's representative setting forth the Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the settlement. Class Members who opt out will not receive individual class payments, but will preserve their rights to personally pursue wage and hour claims against XYZ.~~

~~You cannot opt-out of the PAGA portion of the settlement. Class Members who opt out of the class settlement remain eligible for individual PAGA payments and are required to give up their right to assert PAGA claims against XYZ based on the PAGA Period facts alleged in the Action.~~

7. ~~The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will not grant final approval of the settlement or not enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiff and XYZ have agreed that, in either case, the settlement will be void, XYZ will not pay any~~

~~money, and Class Members will not release any claims against XYZ.~~

- ~~8. Administrator. The Court has appointed a neutral company, _____ (the “Administrator”) to send this notice, calculate and make payments, and process Class Members’ requests for exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the settlement. The Administrator’s contact information is contained in Section IX of this notice.~~
- ~~9. Participating Class Members’ Release. After the Judgment is final and XYZ has fully funded the Gross Settlement [(and separately paid all employer payroll taxes)], Participating Class Members will be legally barred from asserting any of the claims released under the settlement. This means that unless you opted out by validly excluding yourself from the class settlement, you cannot sue, continue to sue or be part of any other lawsuit against XYZ or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this settlement.~~

~~The Participating Class Members will be bound by the following release:~~

~~All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the Class Period [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on events occurring outside the Class Period.”^{viii}~~

- ~~10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and XYZ has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against XYZ, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the class settlement, cannot sue, continue to sue or participate in any other PAGA claim against XYZ or its related entities based on the PAGA Period facts alleged in the Action and resolved by this settlement.~~

~~The Aggrieved Employees’ Release is as follows:~~

~~All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts and~~

allegations in the Operative Complaint that are alleged to have occurred during the PAGA Period and the PAGA Notice [including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.].^{viii}

~~IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?~~

- ~~1. Individual Class Payments. The Administrator will calculate individual class payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.~~
- ~~2. Individual PAGA Payments. The Administrator will calculate individual PAGA payments by (a) dividing \$_____ by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.~~
- ~~3. Workweek Challenges. The number of Workweeks you worked during the Class Period, as recorded in XYZ's records, is stated in the first page of this notice. You have until _____ to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX of this notice has the Administrator's contact information.~~

~~You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept XYZ's calculation of Workweeks based on XYZ's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and XYZ's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.~~

~~V. HOW WILL I GET PAID?~~

- ~~1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt out) including those who also qualify as Aggrieved Employees. The single check will combine the individual class payment and the individual PAGA payment (if any).~~
- ~~2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single individual PAGA payment check to every Aggrieved Employee who opts out of the class settlement.~~

~~Your check will be sent to the same address as this notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this notice has the Administrator's contact information.~~

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

To opt out of the class action settlement, submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as _____, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **You must send your request to be excluded to the Administrator by _____, or it will be invalid.** Section IX of the notice has the Administrator's contact information.

~~VII. HOW DO I OBJECT TO THE SETTLEMENT?~~

Only Participating Class Members have the right to object to the settlement. Before deciding whether to object, you may wish to see what Plaintiff and XYZ are asking the Court to approve. At least _____ days before the _____ final approval hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed settlement is fair and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a class representative service award. Upon reasonable request, Class Counsel (whose contact information is in Section IX of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's website _____ (url) _____ or the Court's website _____ (url) _____.

A Participating Class Member who disagrees with any aspect of the settlement or the Motion for Final Approval may wish to object, for example, that the proposed settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action _____ and include your name, current address, telephone number and approximate dates of employment for [XYZ] and sign the objection. Section IX of this notice has the Administrator's contact information.

A Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the final approval hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section VIII of this notice (immediately below) for specifics regarding the final approval hearing.

~~VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?~~

You can, but don't have to, attend the final approval hearing on _____ at _____ (time) _____ in Department [_____] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the hearing, the judge will decide whether to grant final approval of the settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and defense counsel before making a decision. You can attend (or hire a lawyer to attend) either personally

or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

~~IX. HOW CAN I GET MORE INFORMATION?~~

The settlement agreement sets forth everything XYZ and Plaintiff have promised to do under the proposed settlement. The easiest way to read the settlement agreement, the judgment or any other settlement documents is to go to _____ (specify entity) website at _____ (url).

You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) **[confirm]** and entering the Case Number for the Action,

Dated: _____ **PETTIT KOHN INGRASSIA**

LUTZ & DOLIN PC

Shannon R. Finley, Esq.

Attorneys for Defendant ~~Case No. ____~~. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

~~DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT~~

Class Counsel:
Name of Attorney:
Email Address:
Name of Firm:
Mailing Address:
Telephone:

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

~~X. WHAT IF I LOSE MY SETTLEMENT CHECK?~~

~~If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, [you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds] [you will have no way to recover the money].~~

~~XI. WHAT IF I CHANGE MY ADDRESS?~~

~~To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.~~

ⁱ For PAGA settlements involving PAGA notice letters sent to the LWDA after June 19, 2024, ensure that Plaintiff complies with the new PAGA requirements established by S.B. 92 and A.B. 2288. The PAGA penalty allocation in the Settlement Agreement should be revised to reflect the updated structure detailed in Lab. Code, § 2699(m) — 65% of the amount to the LWDA, 35% to Aggrieved Employees.

ⁱⁱ The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.

ⁱⁱⁱ The Parties are free to negotiate a payment plan structure if appropriate. In the motion for preliminary approval, counsel should submit evidence (e.g., declaration from a representative of Defendant) explaining the financial necessity for a payment plan.

^{iv} Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g., a settlement that is solely a Labor Code section 226, subdivision (a) claim).

^v Insert any negotiated terms addressing the possibility that XYZ's estimates of Class size, Workweeks, or PAGA Pay Periods turn out to be understated or concerning an "escalator" clause memorializing XYZ's promise to increase the Gross Settlement Amount in an agreed-upon proportion to the percentage by which the calculated class size, Workweeks, or PAGA Pay Periods exceed XYZ's estimates. Counsel must finalize the end dates of the Class and PAGA Periods before filing the Motion for Preliminary Approval and submit evidence showing if the escalator clause has been triggered and the consequences.

^{vi} The Parties can negotiate and propose a broader individual release for Plaintiff's claims.

^{vii} Releases in the Notice should be verbatim to the releases in the Settlement Agreement.

^{viii} Releases in the Notice should be verbatim to the releases in the Settlement Agreement.

Exhibit 3

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION
AND HEARING DATE FOR FINAL COURT APPROVAL**

Alvarez v. Briteworks, Inc., Superior Court of the
State of California, County of Los Angeles, Case No. 22STCV35169

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT
ACT. PLEASE READ THIS CLASS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the settlement payment, you will release claims against the Defendant as detailed in Section 4 below. If your address has changed, you must notify the Administrator as explained in Section 6 below.
Exclude Yourself	To exclude yourself, you must send a written request for exclusion to the Administrator as provided below. If you request exclusion, you will receive no money from the Settlement and you will not be bound by the Settlement. Instructions are set forth in Section 7 below.
Object	Write to the Administrator about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection. Directions are provided in Section 8 below.
Final Approval Hearing	The Court will hold a Final Approval Hearing at _____ on _____, 2026, at the Los Angeles County Superior Court, located at Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012, in Department 10 before Hon. William F. Highberger. The hearing may be rescheduled by the Court without further notice to you.

Your options are further explained in this Class Notice. To exclude yourself from, or object to, the settlement you must take action by certain deadlines. If you want the Settlement as proposed, you don't need to do anything to obtain your share of the Settlement. Defendant will not retaliate against you for any actions you take with respect to the Settlement.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of the above-captioned action pending in the Superior Court of the State of California, in and for the County of Los Angeles (the "Court") has been reached between Plaintiff Rosa Alvarez ("Plaintiff") and Defendant Briteworks, Inc. ("Defendant") and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All current and former non-exempt employees that worked either directly or via a staffing agency for Defendant at any location in California at any time during the Class Period.

The “Class Period” is the period from November 4, 2018, to January 9, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Class Notice carefully as your rights may be affected by the Settlement.

2. What is the lawsuit about?

On November 4, 2022, Plaintiff commenced this lawsuit by filing a Complaint alleging causes of action against Defendant for: 1) Recovery of Unpaid Minimum Wages and Liquidated Damages; 2) Recovery of Unpaid Overtime Wages; 3) Failure to Provide Meal Periods or Compensation in Lieu Thereof; 4) Failure to Provide Rest Periods or Compensation in Lieu Thereof, 5) Failure to Furnish Accurate Itemized Wage Statements; 6) Failure to Timely Pay All Wages Due Upon Separation of Employment; (7) Failure to Reimburse Business Expenses; and 8) Unfair Competition. On April 28, 2023, Plaintiff filed a First Amended Complaint adding a cause of action under the California Private Attorneys General Act seeking civil penalties against Defendant for Labor Code violations.

Defendant denies and disputes all of Plaintiff’s claims. Defendant further contends that the Action cannot be maintained as a class action.

The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>> and determined only that there is sufficient evidence to suggest that the proposed settlement is fair, adequate, and reasonable, and that any final determination of those issues will be made at the final approval hearing. The Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firm of Crosner Legal, P.C. as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Five Hundred and Thousand Dollars (\$500,000) (the “Gross Settlement Amount”) to fund the settlement of the Action. The Gross Settlement Amount includes all payments of Individual Class Payments, the Administration Expenses Payment, the Class Representative Service Payment, Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendant.

No later than 30 calendar days after the Effective Date or January 1, 2026 (whichever is later), Defendant shall transmit the first half of the Gross Settlement Amount to the Administrator; and, no later than 120 calendar days after the Effective Date, Defendant shall transmit the second half of the Gross Settlement Amount and the full amount of Defendant’s share of payroll taxes to the Administrator. The “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 on 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 confirms the Judgment and issues a remittitur. No later than fourteen (14) days after Defendant funds the Settlement, the Administrator will mail checks for the Individual Class Payments to Participating Class Members.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount as follows, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before Individual Class Payments are made to Participating Class Members:

- Settlement Administration Costs. Payment to the Administrator, estimated not to exceed \$10,000, for expenses, including without limitation expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing settlement funds and tax forms, and handling inquiries and uncashed checks.
- Class Counsel Fees and Costs Payment. Payment to Class Counsel of reasonable attorneys' fees not to exceed one-third of the Gross Settlement Amount, which is presently \$166,667, and an additional amount to reimburse actual litigation costs incurred by Class Counsel, not to exceed \$20,000. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all litigation costs and expenses.
- Service Payment. A Class Representative Service Payment in an amount not to exceed Ten Thousand Dollars (\$10,000.00), or such lesser amount as may be approved by the Court, to compensate Plaintiff for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Penalties. PAGA Penalties in the amount of \$50,000 to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.

Calculation of Individual Class Payments to Class Members. After all of the payments of the court-approved Service Award, the Class Counsel fees and costs payment, and the Settlement Administration Costs are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount", shall be distributed as Individual Class Payments to Participating Class Members (meaning those Class Members who do not opt out or exclude themselves from the Class). The Net Settlement Amount is estimated to be \$293,333. The Settlement Administrator will pay an Individual Class Payment from the Net Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. "Workweek" means any week during the Class Period in which a Class Member worked for Defendant as a Class Member for at least one day. The number of Workweeks will be based on Defendant's records, however, Class Members may challenge the number of Workweeks as explained below. Your estimated Individual Class Payment is set forth in Section 5 below.

Tax Matters. Twenty percent (20%) of each Individual Class Payment is in settlement of wage claims which are subject to wage withholdings and will be reported on IRS Form W-2. Eighty

percent (80%) of each Individual Class Payment is in settlement of claims non-wages, expense reimbursement, interest and penalties, which are not subject to wage withholdings and will be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Notice to constitute advice regarding taxes or taxability. Your tax issues are unique to you, and you may want to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Administrator to inform them of your correct address to ensure you receive your payment.

4. What Do I Release Under the Settlement?

Released Class Claims. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the Class Period. Participating Class Members' only release these claims for the duration of the Class Period. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Released PAGA Claims. All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the PAGA Period (April 28, 2022, to January 9, 2024). Aggrieved Employees only release these claims for the duration of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or any other Released Party about the Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in the Actions will apply to you and legally bind you.

Released Parties. The Released Parties are: Briteworks, Inc., and its former and present directors, officers, shareholders, owners, members, managing agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.

5. How much will my payment be?

Your Individual Class Payment: Defendant's records reflect that you have <<____>> Workweeks during the Class Period. **Based on this information, your estimated Individual Class Payment is <<____>>**, minus applicable withholdings and deductions.

Your Individual PAGA Payment: Defendant's records reflect that you have <<_____>> Pay Periods during the PAGA Period. **Based on this information, your estimated Individual PAGA Payment is <<_____>>.**

If you wish to challenge the information set forth above, then you must submit a written dispute challenging the information along with supporting documents, to the Administrator at the address provided in this Notice no later than the 30 days after the mailing of this Notice. The deadline for submitting a dispute is _____. You may also fax the dispute to _____ or email the dispute to _____ by no later than the deadline. Any dispute should include credible written evidence and will be resolved by the Administrator.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your share of the Settlement will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Administrator. The Administrator is: Atticus Administration, LLC, [ADDRESS], (800) _____.

The Court will hold a Final Approval Hearing on _____ at _____ to decide whether to approve the Settlement. Please note the hearing could be rescheduled by the Court without further notice to you. If the Court approves the Settlement and there are no objections or appeals, the settlement payments will be mailed approximately three months after this hearing. If there are objections or appeals the payments will be delayed because resolving them can take time, usually more than a year. Please be patient.

Your settlement check must be cashed within 180 days after it is mailed. If your check is lost or misplaced, you should contact the Administrator immediately by phone to request a replacement ((800) _____). For any Class Member whose Individual Class 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 Class Member.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Class or "opt out." **If you opt out, you will NOT receive your Individual Class Payment and you will not be bound by the release of Released Class Claims.**

To opt out of the Class, you must mail to the Administrator, by First Class Mail, a written, signed and dated request to opt-out postmarked no later than the Response Deadline which is _____ [forty-five (45) days after the mailing of the Notice]. You may also fax your request to opt out to _____ or email the dispute to _____ by no later than the Response Deadline. The Request for Exclusion should state in substance: "I wish to be excluded from the Class in the *Alvarez v. Briteworks, Inc.* lawsuit." The Request for Exclusion must state the Class Member's full name, address, telephone number, last four digits of social security number for verification purposes, the approximate dates of employment in California by Defendant, and the name and number of the case, which is *Alvarez v. Briteworks, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35169. The request to opt-out must be completed and signed by you. No other person may opt-out for a living member of the Class.

The address for the Administrator is *Alvarez v. Briteworks, Inc.* Administrator, c/o [NAME], [ADDRESS]. Absent good cause found by the Court, written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the service awards, either in writing or in person. Objections that are in writing should include the Class Member's name, current address, telephone number, and the dates of employment in California by Defendant, and describe why you believe the Settlement is unfair. All written objections or other correspondence should also state the name and number of the case, which is *Alvarez v. Briteworks, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35169.

All written objections must be mailed to the *Alvarez v. Briteworks, Inc.* Administrator, c/o [NAME], [ADDRESS], no later than the Response Deadline which is _____ [forty-five (45) days after the mailing of the Notice]. You may also fax the dispute to _____ or email the dispute to _____ by no later than this Response Deadline.

Alternatively, Class Members may appear at the Final Approval Hearing on _____ at _____ to make an oral objection without submitting a written objection. The hearing may be rescheduled by the Court without further notice to you. If you need assistance, you may contact Class Counsel. Please check the Court's website for current information concerning appearances and how to attend Court proceedings remotely: <https://www.lacourt.org/>.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object and you will still be mailed a check for your Individual Class Payment. Absent good cause found by the Court, any Class Member who does not object in the manner provided in this Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

The addresses for Parties' counsel are as follows:

Class Counsel:

Chad Saunders
Brandon Brouillette
CROSNER LEGAL, PC
9440 Santa Monica Blvd. Suite 301
Beverly Hills, CA 90210
Tel: (866) 276-7637
Fax: (310) 510-6429
Email: chad@crosnerlegal.com

Counsel for Defendant:

Shannon R. Finley
sfinley@pettitkohn.com
PETTIT KOHN INGRASSIA LUTZ &
DOLIN PC
5901 W. Century Blvd., Suite 1100
Los Angeles, CA 90045

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at _____ on _____, in Department 10 of the Superior Court of California, County of Los Angeles, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012. While the Court determined at preliminary approval that there is sufficient evidence to suggest the proposed settlement is fair, adequate, and reasonable, the Court will make a final determination on these issues at the Final Approval Hearing. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to approve the amount of attorneys' fees, costs and enhancement awards to be awarded. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Administrator at _____ or write to *Alvarez v. Briteworks, Inc.* Administrator, c/o [NAME], [ADDRESS]; or contact Class Counsel.

This Notice summarizes the proposed settlement. More details are in the Class Action Settlement Agreement ("Agreement"). The Agreement, the Judgment and other relevant settlement documents will be posted on the Administrator's website for this settlement: << _____ >>. You may also get more details by examining the Court's file via the Public Access site for the California Superior Court for the County of Los Angeles (<https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>) and entering the Case No. 22STCV35169. The Agreement can be found in the Court file located at 312 North Spring Street, Los Angeles, CA 90012, as Exhibit #1 to the Declaration of Chad Saunders, filed on _____.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed.
- If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

Exhibit 4



Los Angeles Office
9440 Santa Monica Blvd.
Beverly Hills, CA 90210

Kiara Bramasco, Esq.
kiara@crosnerlegal.com
direct: (424) 335-5236
office: (310) 496-5818
fax: (310) 510-6429

November 22, 2022

VIA PAGA ONLINE FILING ONLY:

California Labor & Workforce
Development Agency
ATTN: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
PAGAFilings@dir.ca.gov

VIA U.S. CERTIFIED MAIL:

Mario D. Vega
Agent for Service of Process for:
Briteworks, Inc.
1150 S. Olive St.
Los Angeles, CA 90015

Briteworks, Inc.

Attn: Human Resources/ Legal Department
620 N. Commercial Ave.
Covina, CA 91723

NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM

To: California Labor and Workforce Development Agency; Briteworks, Inc.
Date: November 22, 2022
Subject: *Rosa Alvarez v. Briteworks, Inc.*

Introduction

This office represents COMPLAINANT, Rosa Alvarez (hereinafter "COMPLAINANT") in connection with COMPLAINANT's claims under the California Labor Code. COMPLAINANT

was, at all relevant times herein mentioned, an employee of the following entity and individual managing agents of said entity: Briteworks, Inc., (hereinafter, this entity and its managing agents are collectively referred to as “EMPLOYER”). EMPLOYER may be contacted directly at the addresses listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, COMPLAINANT, on behalf of COMPLAINANT, and on behalf of all current and former non-exempt employees employed by EMPLOYER in California within one year of the date of this notice (“NON-EXEMPT AGGRIEVED EMPLOYEES”) and on behalf of all current and former exempt employees employed by EMPLOYER in California within one year of the date of this notice (“EXEMPT AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of COMPLAINANT’s claims against EMPLOYER. This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and EMPLOYER via certified mail to its Agent(s) for Service of Process and/or entity mailing address as provided to the California Secretary of State.

This NOTICE also serves to demonstrate COMPLAINANT’s reasonable attempt at settlement with EMPLOYER. If EMPLOYER is interested in settling this matter before a lawsuit is filed, EMPLOYER may contact Crosner Legal, P.C., at the address listed at the close of this NOTICE. This settlement attempt is in compliance with relevant California law. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by COMPLAINANT to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—COMPLAINANT reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, EMPLOYER is on notice that COMPLAINANT continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. For violations that are curable under § 2699.3(c) and that EMPLOYER intends to cure within the statutory time period set forth in §§ 2699 and 2699.3(c), the EMPLOYER shall provide notice including a description of the actions taken to cure. If the alleged violation is not cured within the statutory time period, COMPLAINANT will commence a civil action pursuant to section 2699. For all other violations that are not curable, an action pursuant to section 2699(a) and 2699(f) will commence after the requirements under 2699.3 are fulfilled.

Based on the following summary of facts and theories upon which COMPLAINANT will base COMPLAINANT’s claims, COMPLAINANT requests that the LWDA regard this NOTICE as

written notice of COMPLAINANT's intent to seek civil penalties against EMPLOYER. Under *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, a PAGA representative has authority to seek penalties for all known violations committed by the employer – regardless of whether the representative experienced all violations personally. *Id.* at 760-761. Moreover, under *Johnson v. Maxim Healthcare Servs., Inc.*, (2021) 66 Cal. App. 5th 924, 929, an employee may pursue a claim under PAGA even when that employee's individual claim is time-barred.

COMPLAINANT, on behalf of COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES, alleges that the specific provisions of California law that EMPLOYER has violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 201-203, 204, 216, 221-223, 226, 226.7, 245-248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

The Named Entities Are Joint Employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES

California courts have recognized that the definition of “employer” for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California's labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

COMPLAINANT is informed and believes and thereon alleges that at all relevant times EMPLOYER and unknown entities operated as a single integrated enterprise with common ownership and centralized human resources as set forth herein. Under California law, in determining whether two defendant entities are liable as an integrated enterprise, courts consider four factors: (1) centralized control of labor relations; (2) interrelation of operations; (3) common management; and (4) common ownership or financial control. *Laird v. Capital Cities/Abc, Inc.* (1998) 68 Cal.App.4th 727, 737 (overruled on other grounds, *Reid v. Google, Inc.* (2010) 50 Cal. 4th 512 (2010).)

COMPLAINANT believes and hereon asserts that EMPLOYER and unknown entities must be classified as joint employers of COMPLAINANT for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted COMPLAINANT to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of COMPLAINANT at all relevant times herein, so as to be considered the joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES. By reason of their status as joint employers of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, they are each liable for civil penalties

for violations of the California Labor Code and applicable Wage Orders as to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Individual Liability Under Labor Code § 558.1

Labor Code section 558.1 permits joint and several liability as to both an individual and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. EMPLOYER, at all relevant times, was an employer or person acting on behalf of employer(s) who violated COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' rights by violating various sections of the California Labor Code. The California Legislature defines "other person acting on behalf of an employer" as "*a natural person* who is an owner, director, officer, or managing agent of the employer." The "managing agent" definition mirrors that found in California's punitive damages statute (subdivision (b) of section 3294 of the Civil Code). Under that statute and supporting case law, "managing agents" are all employees who exercise substantial independent authority and judgment in their corporate decision-making such that their decisions ultimately determine corporate policy. *White v. Ultramar, Inc.* (1999) 21 Cal. 4th 563, 566-67. For the reasons set forth above and others, at all relevant times, any above-listed individuals meet the criteria of managing agents under California law, and therefore, may be held liable under California Labor Code sections 558 and 558.1 for violations of Labor Code §§ 203, 226, 226.7, and 1194 as further described in detail below.

COMPLAINANT intends to further name any unknown individuals responsible for violations arising under Labor Code sections 558 and 558.1 after further discovery. COMPLAINANT will ask the Court to relate the amendment of the PAGA charge and the operative complaint to the date of filing of these charges. COMPLAINANT asks and demands that EMPLOYER put these individuals on notice immediately to provide them as much notice possible to mount in defense. In the alternative, COMPLAINANT also offers to EMPLOYER to place those individuals on notice if EMPLOYER voluntarily provides their contact information.

General Information

EMPLOYER owns, operates or otherwise manages a company that provides commercial janitorial services and employs individuals as janitorial cleaning staff that are assigned to different businesses and/or companies to provide janitorial services. Although EMPLOYER may operate successful companies or have a noble mission, EMPLOYER does not comply with California's labor laws.

COMPLAINANT was employed by EMPLOYER as a non-exempt employee. COMPLAINANT was employed by EMPLOYER as a non-exempt employee from in or around 2012 through approximately March 2021. COMPLAINANT worked for EMPLOYER as a janitor or cleaning technician. COMPLAINANT continued to be subject to EMPLOYER's violations of one or more labor code provisions in 2022 as explained below. COMPLAINANT regularly worked at least

eight (8) hours per day, at least (5) days per week. EMPLOYER paid COMPLAINANT an hourly rate for time counted by EMPLOYER as hours worked.

At all relevant times, COMPLAINANT was a non-exempt employee that was paid on an hourly basis for time counted by EMPLOYER as hours worked. COMPLAINANT was required by EMPLOYER to work through rest breaks to complete her workload on time and was often forced to take late meal breaks or work through unpaid meal breaks. EMPLOYER did not pay COMPLAINANT premium wages for missed, late, on-duty or interrupted meal or rest breaks. EMPLOYER required COMPLAINANT to fill out time records according to scheduled hours and would not permit COMPLAINANT to record her actual hours worked, which often exceeded her scheduled hours. As a result, COMPLAINANT was not paid for all time worked at minimum or overtime rates and was not paid premium pay for missed, late, on-duty, or interrupted meal and rest breaks. COMPLAINANT was also required to use her personal cellphone to communicate with EMPLOYER for work related text messages, phone calls, and emails and was not reimbursed for the business use of her personal cellphone. COMPLAINANT was also occasionally required to drive from one location to another to complete her work duties but was not reimbursed for gas or mileage for the business use of her personal vehicle.

Among other things, EMPLOYER (1) failed and continues to fail to keep accurate and complete time records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES; (2) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked; (3) failed and continues to fail to pay COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES at least minimum wage for all hours worked and overtime/regular rates for corresponding work; (4) failed and continues to fail to pay proper overtime wages for failure to incorporate all non-discretionary compensation into the overtime premium pay calculations; (5) failed and continues to fail to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with proper meal and/or rest breaks and/or recovery periods, and/or compensate COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of premium pay at the regular rate of compensation for missed/improper meal and/or rest periods; (6) refused and continues to refuse to make and/or falsely denied the amount of payments due to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES, including but not limited to, owed sick pay; (7) failed and continues to fail to place COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES on proper notice of their workplace rights, including but not limited to owed sick pay; (8) failed and continues to fail to provide legally compliant wage statements to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES; (9) made unlawful deductions from COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' paychecks; (10) failed and continues to fail to timely pay wages to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES during employment and/or upon separation of employment; (11) failed and continues to fail to reimburse COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses incurred on behalf of EMPLOYER; (12) conducted and continues to conduct illegal criminal and/or financial background checks as a condition of COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT

AGGRIEVED EMPLOYEES' hire and continued employment; (13) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose arrests not resulting in convictions and/or to disclose convictions prior to extending an offer of employment and/or otherwise impermissibly inquired and continues to inquire into COMPLAINANT's, NON-EXEMPT AGGRIEVED EMPLOYEES', and/or EXPEMPT AGGRIEVED EMPLOYEES' criminal history on their employment applications and sign off on same as a condition of employment; (14) failed and continues to fail to produce and/or allow access to employment records within the time limits prescribed under California law; (15) required and continues to require COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGREIVED EMPLOYEES to disclose their salary history; (16) failed and continues to fail to provide suitable seating; and (17) required and continues to require COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a term or condition that violates the law as a condition of employment. Further descriptions of the above-mentioned violations and others are explained below.

Labor Code Violations

Recordkeeping Requirement Violations: California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, EMPLOYER failed, and continues to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES by virtue of EMPLOYER's time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

EMPLOYER failed and continues to fail to keep accurate and complete records showing total hours worked by virtue of EMPLOYER's failure to relieve COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, EMPLOYER further failed, and continues to fail, to record the true start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods.

Based on further information and belief, EMPLOYER further failed and continues to fail, to record the true start and end times of COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES' work shifts.

Additionally, EMPLOYER failed, and continues to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES.

EMPLOYER's failure to keep "accurate and complete" payroll records for COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.¹

Violations of Labor Code Sections 226(b)-(c), 1198.5, and 432:

Time and Pay Records

Labor Code section 226 and all applicable IWC Wage Orders, section 7 require that employers keep the following information on file for each employee for a minimum of three years: The employee's dates of employment; the employee's hourly rates and the corresponding number of hours worked by the employee at each hourly rate, when the employee begins and ends each work period (including meal periods) and split intervals; total hours worked by the employee; all deductions; gross wages earned; and net wages earned.

Section (b) of Labor Code section 226 further requires employers to "afford current and former employees the right to inspect or receive a copy of records pertaining to their employment upon reasonable request to the employer." Section (c) of Labor Code section 226 provides that, "an employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request. A violation of this subdivision is an infraction." An employer's failure to comply within this timeframe entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 226(f).

Personnel Records

In addition to their right to time and pay records, employees, and their representatives, have the right to inspect and receive a copy of their personnel files pursuant to Labor Code section 1198.5. This statute applies to both former and current employees. Labor Code section 432 further specifies that employers must furnish copies of all employment records bearing the employee's signature.

Labor Code section 1198.5 also requires that the file be made available for inspection or receipt within a "reasonable" amount of time, but "not later than 30 calendar days from the date the

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

employer receives a written request.” An employer’s failure to comply within this timeframe likewise entitles a current or former employee to recover a seven hundred fifty-dollar (\$750) penalty from the employer. Lab. Code section 1198.5(k).

Based on information and belief, EMPLOYER fails to timely produce or make available a current or former employee’s personnel records and/or payroll records when requested pursuant to Labor Code sections 226, 1198.5, 432, and/or the applicable Wage Order. For example, on June 21, 2022, COMPLAINANT, through her counsel, sent a written request for time, pay and personnel records to EMPLOYER. After EMPLOYER failed to respond within the statutory periods, COMPLAINANT, through counsel, sent a second written request on July 28, 2022. Yet, EMPLOYER failed to produce any records at all within the time periods delineated by California labor law. Based on information and belief, EMPLOYER failed and continues to fail to timely produce complete time, pay, and personnel records when requested by other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, EMPLOYER failed and continues to fail to timely produce complete payroll and personnel records when requested by other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES.

These violations subject EMPLOYER to penalties under Labor Code sections 226, 1198.5, and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE and each EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.

Meal Period Violations: California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10th hour of work. *Ibid.* Meal periods can be waived, but only under the following circumstances: (1) if an employee’s total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee’s total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if the first meal period was not waived. *Ibid.* Upon information and belief, COMPLAINANT did not sign a valid meal period waiver throughout COMPLAINANT’s employment by EMPLOYER.

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3) (“Meal periods . . . shall also be recorded”); *Brinker, supra*, 53 Cal.4th 1004, 1052-1053, citing section 7(A)(3) (“If an employer’s records show no meal period for a given shift over five hours, a

rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided”).

Employers must pay employees an additional hour of wages at the employees’ regular rate of pay for each missed or unlawful meal period (e.g., less than 30 minutes, interrupted meal period, first meal period provided after five (5) hours, second meal period provided after 10 hours). Lab. Code § 226.7; all applicable IWC Wage Orders, §11(B) (“If an employer fails to provide an employee a meal period in accordance with the applicable provision of this Order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided”); *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES consistently worked shifts of five and a one-half (5 ½) hours or more, entitling to at least one meal period.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to understaffing, the nature and constraints of their job duties and/or commentary from supervisors pressuring them to take non-compliant meal breaks or skip meal breaks completely. For example, COMPLAINANT was regularly forced to take late, short, or interrupted meal periods, but was required to notate a 30-minute meal period on her time sheet/clock out for thirty minutes irrespective of whether or not a lawful 30-minute meal period was provided, resulting in meal period violations as well as unpaid wages and record-keeping violations.

Based on information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES were consistently suffered and permitted to take meal periods past the fifth hour of work and/or had their meal periods interrupted, cut short, restricted to EMPLOYER’s premises and/or otherwise on duty due to commentary from supervisors, understaffing, the nature and constraints of their job duties, and/or the need to meet EMPLOYER’s goals and expectations.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER’s control during unpaid meal periods.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES to complete off-the-clock work prior to their scheduled shift time which EMPLOYER failed to take into account when scheduling meal periods for NON-EXEMPT AGGRIEVED EMPLOYEES. Based on information and belief, meal periods were late, in part due to unaccounted pre-shift off-the-clock work.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its policies and practices resulted in the denial of uninterrupted meal periods which were free of

EMPLOYER's control owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

Based on information and belief, per EMPLOYER's uniform policy and practice, NON-EXEMPT AGGRIEVED EMPLOYEES who worked shifts of more than ten hours did not receive a second legally compliant thirty (30) minute second meal break.

Based on information and belief, despite EMPLOYER's failure to provide lawful meal periods, EMPLOYER implemented a policy and/or practice of rounding the start and end times of COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods and/or automatically deducting at least thirty minutes per shift for missed and/or otherwise unlawful meal periods (including meal periods restricted to EMPLOYER's premises), despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES did not receive lawful meal periods.

Moreover, based on information and belief, EMPLOYER failed to keep accurate records of the true start and end times of COMPLAINANT's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods. Based on information and belief, EMPLOYER illegally rounded the start and end times of purported meal periods resulting in COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES not being paid for all time worked as well as late and/or shortened meal periods. *See Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58.

Based on information and belief, EMPLOYER failed to instruct COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES as to the timing and duty-free nature of meal periods. Based on further information and belief, EMPLOYER did not have a compliant written meal break policy, nor did EMPLOYER have any sort of compliant policy in practice. Liability for the NON-EXEMPT AGGRIEVED EMPLOYEES can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable Wage Order requirements. The fact that employees may legally waive meal breaks does not affect this result. *Brinker, supra*, 53 Cal.4th 1004.

COMPLAINANT is further informed and believes and thereon alleges that EMPLOYER had actual and/or constructive knowledge that its time-rounding and/or auto-deduction policies and practices resulted in the denial of lawful meal periods owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

EMPLOYER failed to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of compensation for each workday a lawful meal period was not provided. EMPLOYER either failed to pay a meal period premium at all for each workday a lawful meal period was not provided and/or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject EMPLOYER to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.² EMPLOYER's failure to provide valid meal periods, and the automatic deduction for meal periods that were not provided/valid, ultimately results in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

Rest Period Violations: California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, §12(A). In *Brinker v. Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012), the California Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6 hours in length, two 10-minute rest periods for shifts more than 6 hours up to 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at 1029). The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s). Lab. Code §226.7; applicable IWC Wage Order, §12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided").

EMPLOYER did not properly authorize and provide COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES with legally compliant rest periods at a rate of every four (4) hours worked or major fraction thereof, that insofar as practicable, are provided in the middle of the work period, as required by law.

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were not adequately informed, authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California law. Based on information and belief, EMPLOYER had no policy in place nor instruction as to the taking of duty-free rest periods. Based on information and belief, EMPLOYER

² See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

did not have a compliant written rest period policy, nor did EMPLOYER have any sort of compliant rest period policy in practice. For example, COMPLAINANT was usually unable to take rest periods due to her assigned workload.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES' rest periods were interrupted, cut short, on duty, restricted to premises and/or late due to understaffing, the nature and constraints of their job duties, and/or due to commentary from supervisors/ managers pressuring NON-EXEMPT AGGRIEVED EMPLOYEES to skip rest breaks completely or otherwise take non-compliant rest periods.

Moreover, based on information and belief, EMPLOYER failed to provide any form of a third rest period on shifts lasting longer than ten hours.

Based on information and belief, EMPLOYER implemented policies and/or practices that failed to relieve COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and EMPLOYER's control during rest periods.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were pressured to complete their work duties according to a designated schedule such that rest breaks were only taken once tasks were completed, and/or as time permitted.

Furthermore, EMPLOYER failed to pay a rest period premium for each day in which NON-EXEMPT AGGRIEVED EMPLOYEES experienced a missed or otherwise unlawful rest period in violation of California law. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872. EMPLOYER failed to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of pay for each workday a proper rest period was not provided. EMPLOYER either failed to pay a rest period premium at all for each workday a lawful rest period was not provided and/or failed to pay the proper rest period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, shift differential pay, and/or other non-discretionary compensation into the regular rate of compensation for purposes of calculating the owed rest period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.³

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period"); and All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

Minimum Wage Violations: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorneys’ fees, and costs of suit.” Labor Code section 1194.

Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Pursuant to section 4 of the applicable Wage Order, “Every employer shall pay to each employee not less than the applicable minimum wage for all hours worked in the payroll period...” The applicable Wage Order defines “hours worked” as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” See §2 of all applicable Wage Orders. Therefore, employers are required to pay employees for all time spent subject to the control of the employer and all time the employee is suffered or permitted to work. An employer’s failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324. Furthermore, “in any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon...” *Cal. Lab. Code* § 1194.2.

EMPLOYER failed to compensate COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked by virtue of EMPLOYER’s automatic deduction of 30 minutes for purported meal periods (as explained above) and time rounding policies, and failure to relieve employees of all duties/employer control during unpaid meal periods or otherwise unlawful practices for missed or improper meal periods as explained above.

Based on information and belief, EMPLOYER implemented a policy and/or practice of rounding meal period start and end times and/or automatically deducting at least thirty minutes per shift for meal periods, despite having actual and/or constructive knowledge that COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES were subject to EMPLOYER’s control during purported meal periods and/or were otherwise not afforded with lawful meal periods, depriving COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES of all wages owed.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were not paid for all hours worked due to EMPLOYER’s policy and/or practice of paying according to scheduled hours worked instead of actual time worked, and/or mandated off-the clock work policies and/or practices. For example, COMPLAINANT was only paid for her scheduled hours worked as opposed to her actual hours worked. COMPLAINANT was required to notate her scheduled hours worked even when COMPLAINANT worked beyond her scheduled shift. EMPLOYER only paid

COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES for scheduled hours worked, resulting in significant off-the-clock, unrecorded, and uncompensated work.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES are required to complete pre-shift and/or post-shift off-the-clock work that was neither recorded nor compensated. For example, COMPLAINANT was required to complete off-the-clock work outside of scheduled shifts due to work-related phone calls and/or messages she received to her personal phone.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES to complete other work tasks off-the-clock, resulting in the underpayment of minimum and overtime wages to NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, EMPLOYER failed to pay NON-EXEMPT AGGRIEVED EMPLOYEES for time they were required to spend completing orientation, policy questionnaires, and/or time spent completing the onboarding process including but not limited to reviewing various documents and policies provided by EMPLOYER. Based on information and belief, this work time was completed off-the-clock and was not compensated.

Based on further information and belief, EMPLOYER implemented a time-rounding system that as applied systematically deprived COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of compensable time because the time-rounding system implemented by EMPLOYER would almost always, if not always, result in understating actual compensable work time. EMPLOYER's failure to pay for all time worked by virtue of its time-rounding practices resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

EMPLOYER's failure to pay for all time worked by virtue of its time rounding, auto-deduction policies and practices for unlawful meal periods, failure to provide lawful meal periods, and/or other off-the-clock work practices and policies, resulted in the underpayment of minimum wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER had actual and/or constructive knowledge that its time rounding policies/practices, auto-deduction policies and practices, failure to provide lawful meal periods and/or other off-the-clock work resulted in the underpayment of minimum wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

These violations subject EMPLOYER, to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED

EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁴

Overtime Violations: California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code §510; IWC Wage Order All applicable IWC Wage Orders §3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in a work week. *Ibid.*

Based on information and belief, EMPLOYER violated California's overtime laws by, among other things, failing to correctly calculate, or record, the total number of hours worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and not paying proper overtime rates for overtime worked by virtue of same.

Namely, EMPLOYER's automatic deduction and time rounding policies and practices for meal periods, payment according to scheduled hours worked rather than actual time worked, off-the-clock/unpaid work completed during meal periods and/or time spent restricted to EMPLOYER's premises and/or subject to EMPLOYER's control during off-the-clock meal periods and/or other off-the-clock work resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages owed to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay premium wage rate for all hours worked beyond eight (8) hours in a day or beyond forty (40) hours in a week.

Based on information and belief, EMPLOYER failed and continues to fail to pay twice NON-EXEMPT AGGRIEVED EMPLOYEES' regular rate(s) of pay for time worked beyond twelve (12) hours per workday and for time worked beyond eight (8) hours on the seventh consecutive day of work in a work week, in violation of California's overtime laws.

Based on information and belief, EMPLOYER failed to incorporate all non-discretionary remuneration, including but not limited to, shift differential pay, bonus pay, multiple base rates of pay, and/or other non-discretionary pay into the regular rate of pay used to calculate the owed overtime rate(s), resulting in the miscalculation and underpayment of overtime wages owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

⁴ See Lab. Code §1197.1(a) (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject EMPLOYER to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.⁵

Violation of California Labor Code §§ 245-248.5: Throughout the relevant time period, EMPLOYER failed to provide proper paid sick leave to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES. EMPLOYER either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to EMPLOYER's premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay, commission and/or piece-rate compensation and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, EMPLOYER further failed to provide notice of the correct sick leave amount balance available to COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES on their wage statements or other written statement.

Based on information and belief, EMPLOYER failed to put NON-EXEMPT AGGRIEVED EMPLOYEES on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, EMPLOYER failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, EMPLOYER failed to provide notice of sick leave amount balance left for COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES, thus affecting their intelligent exercise of their paid sick leave. But for this failure, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

⁵ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”); Lab. Code §558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); All applicable Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

This illegal retention of paid sick leave is unlawful, and COMPLAINANT seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES.

In violation of Labor Code section 247.5, EMPLOYER failed to maintain records documenting the hours worked and paid sick days accrued and used by COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES, permitting the presumption that COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES were entitled to the maximum number of hours accruable under this article.

Upon information and belief, EMPLOYER further failed and continues to fail to comply with Labor Code section 246, by failing to provide COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

EMPLOYER unlawfully retained and continues to retain paid sick leave that should have been paid but was not, as a result of EMPLOYER's failure to properly institute a paid sick leave program.

On information and belief, COMPLAINANT alleges that all of these practices were experienced and continue to be experienced by other NON-EXEMPT AGGRIEVED EMPLOYEES.

COMPLAINANT requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to EMPLOYER's sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. COMPLAINANT requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave: Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, EMPLOYER violated Labor Code section 248.2 by not providing NON-EXEMPT AGGRIEVED EMPLOYEES with required 2021 COVID-19 Supplemental Paid Sick Leave. Based on information and belief, EMPLOYER failed to provide Supplemental Paid Sick Leave in 2022 in violation of Labor Code section 248.6.

Refusal to Make Payment: Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

EMPLOYER violated and continues to violate Labor Code section 216 by failing to pay COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked at the proper wage rate and by failing to pay COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject EMPLOYER to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.⁶

Wage Statement Violations: California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. section 226(a).

As EMPLOYER failed to provide COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES with meal and rest periods that complied with Labor Code section 226.7, the wage statements EMPLOYER issued to COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES failed and continue to fail to correctly set forth (a) the gross wages earned, in violation of Labor Code section 226(a)(1); (b) the total hours worked by the employee in violation of Labor Code section 226(a)(2); (c) the net wages earned, in violation of Labor Code section 226(a)(5); and (d) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

EMPLOYER's wage statements that it provided to COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES also failed to indicate the earned gross and net wages earned during the pay period, the correct applicable rates of pay for all hours worked, and the "total hours worked" by COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES (by virtue of rounded time entries, automatic deduction for meal periods/failure to relieve NON-EXEMPT

⁶ Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

AGGRIEVED EMPLOYEES of all duties and employer control during unpaid meal periods, payment according to scheduled hours worked rather than actual hours worked, and/or other off-the-clock work policies and practices described above), which results in a violation of Labor Code section 226(a). Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

Based on information and belief, wage statements issued by EMPLOYER failed to list the inclusive dates of the pay period for which the NON-EXEMPT AGGRIEVED EMPLOYEE or EXEMPT AGGRIEVED EMPLOYEE is being paid.

EMPLOYER's failure to accurately list all hours worked on all wage statements caused confusion to COMPLAINANT and caused and continues to cause confusion to the NON-EXEMPT AGGRIEVED EMPLOYEES over whether they received all wages owed to them. COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES were injured by EMPLOYER's failure to provide accurate wage statements.

In addition, because of the violations detailed above, including but not limited to, not paying regular and overtime wages for all hours worked, not paying all sick leave wages at the proper rates, and failing to provide meal and rest break premiums, EMPLOYER has violated California Labor Code § 226 by willfully failing to furnish COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES with accurate, itemized wage statements. As described herein, based on information and belief, EMPLOYER also failed to incorporate all forms of non-discretionary compensation earned during the pay period and/or blend multiple base rates of pay earned during a pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, wage statements issued by EMPLOYER failed to list all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

Moreover, based on information and belief, EMPLOYER issued wage statements to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that further violate Labor Code section 226(a), by among other things, failing to list the correct name and/or address of the legal entity that is the employer.

As a result, the wage statements provided to COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were not accurate and did not include all of the statutorily required information.

These violations subject EMPLOYER to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE

and each EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated.⁷

Semimonthly Payment Violations: Labor Code section 204 requires that all earned wages must be paid to employees twice during each calendar month. EMPLOYER violated this section by, including but not limited to, failing to pay COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for meal and rest periods not provided and/or otherwise unlawful, by failing to compensate employees for all hours worked, and by failing to pay proper premium wage rates for all hours worked. These violations subject EMPLOYER to civil penalties under Labor Code section 210. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute's provisions were violated.

Standard Conditions of Labor Violations: Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission.

Therefore, EMPLOYER's violations, including but not limited to, with respect to meal periods, rest periods, recordkeeping provisions, minimum wages and overtime wages, and business expenses, result in separate violations of sections 1198 and 1199, which subject EMPLOYER to civil penalties under Labor Code sections 1197.1 and 2699.

Statutory Wage Violations: Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, EMPLOYER willfully and systematically denied COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. EMPLOYER acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, EMPLOYER paid COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES lower wages than those they were entitled to while purporting that COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES were properly paid. As such, COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

⁷ See Lab. Code §226.3 (establishing that the civil penalty is "per employee per violation").

Failure to Pay Vested Vacation/Paid Time Off:

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, EMPLOYER had and continues to have a uniform policy and practice of failing to allow NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Final Pay Violations: Labor Code section 201 requires employers to pay all wages earned and unpaid at the time of discharge, immediately upon discharge. California Labor Code section 201(a) provides, in relevant part, that "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." California Labor Code section 202(a) provides, in relevant part, that "[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." Pursuant to Labor Code section 203, an employer that willfully fails to pay wages due an employee who is terminated or resigns must pay (in addition to the unpaid wages) a penalty equal to the employee's daily wages for each day, not exceeding 30 days, that the wages are unpaid. This 30-day waiting time penalty is recoverable under the PAGA via Labor Code Section 256. See, *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014); see also, *Caliber Bodyworks, Inc. v. Superior Court*, 134 Cal. App. 4th 365 (2005).

Based on information and belief, EMPLOYER failed to timely pay NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES all wages that were due and owing upon termination or resignation. Based on information and belief, EMPLOYER untimely provides final wages to NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES without regard to the timing requirements of Labor Code sections 201-202.

Upon separation of employment, NON-EXEMPT AGGRIEVED EMPLOYEES' and EXEMPT AGGRIEVED EMPLOYEES' final paychecks were not timely provided and/or were not timely provided with all owed vacation pay and/or paid time off. Moreover, COMPLAINANT's and other NON-EXEMPT AGGRIEVED EMPLOYEES' final paychecks, once provided, did not include all wages owed as they were devoid of, including but not limited to, all owed minimum wages, overtime wages, premium wages, vacation pay, all owed sick leave and/or paid time off wages at the properly accrued rates.

These violations subject EMPLOYER to civil penalties under Labor Code sections 203, 210, and/or 256. Each violation results in a *separate* civil penalty, for each EXEMPT AGGRIEVED

EMPLOYEE and each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the statute provisions were violated.⁸

Business Expense Violations: California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. *See* Cal. Lab. Code § 2802(a) and all applicable Wage Orders, § 9 (b). Furthermore, “for purposes of [section 2802], the term ‘necessary expenditure or losses’ shall include all reasonable costs, including, but not limited to, attorneys’ fees incurred by the employee enforcing the rights granted by this section.”

Among other things, under California law, when tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. *See* applicable IWC Wage Order, § 9 (b).

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. *See Cochran v. Schwan’s Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140. To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145. California law also requires employers to reimburse employees for automobile expenses incurred for the business use of personal vehicles, such as for mileage, gas, and the wear and tear on the vehicle. *See Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554. Further, “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled to under the laws of this State.” *See* Cal. Lab. Code § 2804.

Based on information and belief, COMPLAINANT and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of the employer.

Based on information and belief, EMPLOYER shifted its costs of doing business onto NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by requiring them to pay for its business expenses, including but not limited to, uniforms/work clothing, and/or the use of NON-EXEMPT AGGRIEVED EMPLOYEES’ and EXEMPT AGGRIEVED EMPLOYEES’ personal mobile phone and data usage for work related purposes including but not limited to receiving and responding to work related messages and/or phone calls, and costs associated with using a personal vehicle for work related purposes. For example, COMPLAINANT regularly made and/or received work-related phone calls and/or messages

⁸ (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, 1197.5, shall be subject to a civil penalty...for each failure to pay each employee”).

to/from her personal phone, including but not limited to, work-related communications via text message, phone call, and/or email, but was not reimbursed for these business expenses. COMPLAINANT was also occasionally required to drive from one location to another to complete her work duties but was not reimbursed for gas or mileage for the business use of her personal vehicle.

Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to pay for business expenses that are supposed to be the responsibility of EMPLOYER.

As a pattern and practice, EMPLOYER regularly failed to reimburse and indemnify NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out EMPLOYER's orders and/or carrying out the duties assigned by EMPLOYER.

As described herein, EMPLOYER regularly failed to reimburse and indemnify COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for all reasonable expenses associated with carrying out their job duties. EMPLOYER's failure to provide COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required that COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

Unlawful Inquiries into Salary History

Labor code section 432.3 provides in part "(b) An employer shall not, orally or in writing, personally or through an agent, seek salary history information, including compensation and benefits, about an applicant for employment." Based on information and belief, EMPLOYER has a policy and/or practice of unlawfully asking NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to reveal their salary history when applying for employment with EMPLOYER. For example, when COMPLAINANT applied for employment with EMPLOYER, COMPLAINANT was required to fill out a job application that requested, among other things, the following information: Name and address of former employer, length of former employment relationship, and the "salary" of the former employment relationship. Based on information and belief, EMPLOYER required other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose the same or similar information, in violation of Labor Code section 432.3.

Moreover, by requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to disclose prior salary information in a written application for employment, EMPLOYER violated Labor Code section 432.5 by requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to

disclose their salary history as a condition of obtaining employment with EMPLOYER, in violation of California law.

Unlawful Agreements/ Unlawful Criminal History Inquiries:

Unlawful Agreements

Labor Code section 432.5 provides that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.” Based on information and belief, EMPLOYER required COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful conditions of employment including but not limited to unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA- CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, EMPLOYER ordered unlawful financial credit checks on NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, in violation of Labor Code section 1024.5, and required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA.

Based on information and belief, EMPLOYER required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background

check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, EMPLOYER violated Labor Code section 432.5.

Based on information and belief, EMPLOYER also required NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to provide ongoing consent to EMPLOYER to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, EMPLOYER knew that requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES agree in writing to unlawful provisions as a condition of employment, EMPLOYER violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, EMPLOYER asked NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES about arrests not resulting in convictions on its employment application, in violation of California law.

Upon information and belief, EMPLOYER, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on its employment application in violation of California law.

By asking about arrests not resulting in convictions, EMPLOYER violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, EMPLOYER violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to disclose arrests and/or convictions as a condition of employment.

As such, COMPLAINANT, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES continue to be subject to various unlawful provisions as a condition of employment.

Conclusion

EMPLOYER has violated the above-referenced California Labor Code provisions, the applicable IWC Wage Order, including but not limited to all applicable Wage Orders, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys' fees, and costs. The civil penalties COMPLAINANT and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES seek to recover include, but are not limited to, the statutory and civil penalties specified above.

Labor Code § 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this NOTICE is to satisfy the requirements created by Labor Code §§ 2699, 2699.3(a), 2699.3(b), 2699.3(c), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the LWDA intends to take any action in reference to these claims. We kindly ask that you respond to this NOTICE according to the time frame contemplated by the code.

If the LWDA elects not to take any action with respect to any of the foregoing claims, COMPLAINANT will seek these penalties in a civil action, on behalf of COMPLAINANT and all NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES of EMPLOYER within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty-five days of the date of this NOTICE to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Kiara Bramasco
Crosner Legal, PC
9440 Santa Monica Blvd., Ste. 301
Beverly Hills, CA 90210
Main: 310.496.5818
Fax: 310.510.6429
Email: kiara@crosnerlegal.com

Thank you for your attention to this matter.

Best Regards,

A handwritten signature in black ink, reading "Kiara Bramasco". The signature is written in a cursive, flowing style.

Kiara Bramasco, Esq.
CROSNER LEGAL, PC



Alberto Villavicencio <alberto@crosnerlegal.com>

Thank you for submission of your PAGA Case.

1 message

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "alberto@crosnerlegal.com" <alberto@crosnerlegal.com>

Tue, Nov 22, 2022 at 1:28 PM

11/22/2022

LWDA Case No. LWDA-CM-920850-22
Law Firm : Crosner Legal
Plaintiff Name : Rosa Alvarez
Employer: Briteworks, Inc.
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Exhibit 5



Ashley Gutierrez <agutierrez@crosnerlegal.com>

Thank you for your Court Complaint Submission.

1 message

DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
To: agutierrez@crosnerlegal.com

Tue, Sep 19, 2023 at 9:00 AM

09/19/2023 09:00:01 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Court Complaint

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Exhibit 6